HEALTH SERVICES AND DEVELOPMENT AGENCY MEETING FEBRUARY 24, 2016 APPLICATION SUMMARY

NAME OF PROJECT:

Crossroads Treatment Centers

PROJECT NUMBER:

CN1511-048

ADDRESS:

423 Princeton Road

Johnson City (Washington County), Tennessee 37601

LEGAL OWNER:

Crossroads Treatment Center of Tri-Cities. P.C.

105 North Spring Street, Suite 109

Greenville (Washington County), SC 29601-2859

OPERATING ENTITY:

Not Applicable

CONTACT PERSON:

Kim Harvey Looney, Attorney

(615) 850-8722

DATE FILED:

November 6, 2015

PROJECT COST:

\$1,830,770.00

FINANCING:

Commercial Revolving Line of Credit

PURPOSE OF REVIEW:

Establishment of a nonresidential substitution-based

treatment center for opiate addiction and the

initiation of opiate addiction treatment

DESCRIPTION:

Crossroads Treatment Center is seeking approval to establish a nonresidential substitution-based treatment center that provides opiate addiction treatment (referred to as OTP for opiate treatment program throughout the remainder of the report). The OTP will provide individual counseling and group therapy and will offer methadone to prevent symptoms of withdrawal. The service area includes Carter, Greene, Hancock, Hawkins, Johnson, Sullivan, Unicoi and Washington Counties. The OTP will operate as a private, for-profit clinic under all applicable licensure requirements of the Tennessee Department of Mental Health and Substance Abuse Services (TDMHSAS). No state, federal, or local funding will be sought.

SERVICE SPECIFIC CRITERIA AND STANDARD REVIEW: NON-RESIDENTIAL METHADONE TREATMENT FACILITES (NRMTF)

A non-residential narcotic treatment facility should provide adequate medical, counseling, vocational, educational, mental health assessment, and social services to clients enrolled in the opioid treatment program with the goal of the individual becoming free of opioid dependency.

The applicant reports that clients will receive individualized treatment planning, individual and group counseling, physician services, medication, and coordination of care with other community treatment services. This includes referral services for mental health, medical, vocational and educational needs. Clients will be supervised by a Board-Certified physician experienced in opioid dependency per TDMHSAS Rules. The applicant projects 697 clients in Year 1 while employing two counselors. An additional counselor will be hired with every 50 additional clients.

The TDMHSAS Report (page 11) indicates the application does have significant gaps between the proposed staffing and services and those required for licensure in Tennessee.

According to the TDMHSAS report, the facility would not qualify for licensure as described, therefore, this criterion has not been met.

Need

The need for non-residential narcotic treatment facilities should be based on information prepared by the applicant for a certificate of need, which acknowledges the importance of considering the demand for services along with need and addressing and analyzing service problems as well.

The assessment should cover the proposed service area and include the utilization of existing service providers, scope of services provided, patient origin, and patient mix.

The assessment should consider that the users of opiate drugs are the clients at non-residential narcotic treatment facilities, and because of the illegal nature of opiate drug use, data will be based on estimates, accounts, arrests for drug use, and hospital admittance for drug abuse.

The assessment should also include:

1. A description of the geographic area to be served by the program;

The applicant proposes to serve eligible individuals residing in an eight County service area, which includes Carter, Greene, Hancock, Hawkins, Johnson, Sullivan, Unicoi, and Washington Counties.

It appears that this criterion has been met.

2. Population of area to be served;

The population of the proposed service area in 2015 was 578,724.

The estimated number of persons, in the described area, addicted to heroin or other opioid drugs and an explanation of the basis of the estimate;

The applicant estimates there are between 8,800 and 21,500 adults who are addicted to opiates (heroin and prescription pain pills) in the proposed eight county service area. The applicant calculated the estimates from SAMSHA (Substance Abuse and Mental Health Services Administration) and TDMHSAS reports.

The TDMHSAS staff report questions the applicant's need methodology and indicates it has resulted in a misrepresentation regarding the number of people addicted to heroin or other opioids in the service area. Please refer to page 4 of the TDMHSAS report.

It is <u>unknown</u> whether this criterion has been met.

3. The estimated number of persons, in the described area, addicted to heroin or other opioid drugs presently under treatment in methadone and other treatment programs;

TDMHSAS Central Registry data related to opioid treatment is no longer available to the Health Services and Development Agency. According to a representative of the TDMHSAS, the sole function of a central registry is to prevent multiple enrollments of individuals receiving methadone treatment. Further, any information disclosed to a central registry may not be used for any other purpose than the prevention of multiple enrollments, unless directed by a court order. TDMHSAS concluded that this language prevents the contents of the Central Registry being used to obtain utilization data.

The TDMHSAS report did note there are currently 28 residents from the 8 County proposed service area enrolled in services at Knoxville, TN OTP providers.

Since current data is not available, the applicant estimated that between 8,800 and 21,500 adults in the proposed service area are addicted to opioids. The above calculation was based on the following:

- A 2013 SAMSHA report that estimated 8,800 opioid abuser or opioid dependents in the 8 County service area, and
- A TDMHSAS report titled "Prescription Drug Abuse in Tennessee" which calculates to 21,500 opioid abusers or opioid dependents from the proposed service area.

The TDMHSAS Report questions the applicant's need methodology. TDMHSAS reports the 8,800 to 21,500 estimate does not represent the number of people needing treatment, only the number of people using opioids non-medically.

It is unknown whether this criterion has been met.

4. Projected rate of intake and factors controlling intake;

The applicant projects the rate of intake will be 50 clients per week after the 1st month of operation.

5. Compare estimated need to existing capacity.

TDMHSAS estimates there are 146 SAMSHA certified buprenorphine (suboxone) outpatient providers in the proposed service area as of October 2015. There are no existing OTPs in the service area.

Also, consideration should be given to the reality that existing facilities can expand or reduce their capacity to maintain or treat clients without large changes in overhead.

There are no existing OTPs in the service area. Migration data of clients who travel outside of the proposed service area is not available.

It appears that this criterion is <u>not</u> applicable.

Service Area

The geographic service area should be reasonable and based on an optimal balance between population density and service proximity.

There are no OTPs in the applicant's proposed service area.

It appears that this criterion has been met.

The relationship of the socio-demographics of the service area and the projected population to receive services should be considered. The proposal's sensitivity to and the responsiveness to the special needs of the service area should be considered including accessibility to consumers, particularly women, racial and ethnic minorities, and low-income groups.

The program will be accessible to women, racial and ethnic minorities, and low-income groups. Free treatment will be available for all female clients who become pregnant and cannot afford services. Charity care will be provided at the rate of approximately 3.0% of total gross revenue in Years 1 and 2 (\$50,046 or approximately 20.9 clients and \$114,800 or 33.2 clients, respectively).

It appears that this criterion has been met.

Relationship to Existing Applicable Plans

The proposals' estimate of the number of clients to be treated, anticipated revenue from the proposed project, and the program funding source with description of the organizational structure of the program delineating the person(s) responsible for the program, should be considered.

The applicant proposes to provide services to 297 clients in 2016 generating gross operating revenues of \$1,668,215 in Year One. Treatment is self-funded by the patient. The applicant has provided an organizational structure of the program and person responsible for the program.

It appears that this criterion has been met.

The proposals' relationship to policy as formulated in local and national plans, including need methodologies, should be considered.

There appears to be no local or national plans that include need methodologies.

It appears that this criterion is <u>not</u> applicable.

The proposals' relationship to underserved geographic areas and underserved population groups, as identified in local plans and other documents, should be a significant consideration.

There are no identified local plans or and other documents that specifically address nonresidential substitution-based opioid treatment programs.

It appears this criterion is <u>not</u> applicable.

The impact of the proposal on similar services supported by state appropriations should be assessed and considered.

The applicant plans to utilize self-pay programs and does not plan to participate in State and Federal programs such as TennCare or Medicare.

It appears that this criterion is <u>not</u> applicable

The degree of projected financial participation in the Medicare and TennCare programs should be considered.

The applicant plans to utilize self-pay programs and does not plan to participate in State and Federal programs such as TennCare or Medicare.

It appears that this criterion is <u>not</u> applicable

SUMMARY:

Crossroads Treatment Centers proposes to establish an OTP in a 6,000 SF building to be constructed on a 1.5 acre site at 413 Princeton Road, Johnson City (Washington County), Tennessee. Crossroads will provide medication-assisted treatment (MAT) services utilizing methadone for the rehabilitation of persons dependent on opioids to include opium, morphine, heroin, or any derivative of the group. Methadone is a synthetic opioid that produces stabilizing effects that last approximately 24 hours that is administered only in the clinic during the first 90 days of treatment by a trained program nurse.

The proposed hours of operation are Mon-Sat, 5:00 A.M.-1:00 P.M. with dosing hours between 5:00 A.M.-10:00 A.M. and Saturday/Sunday between 6:00 A.M. to 8:00 A.M. Counseling is provided Mon-Sat between 5:00 am-1 pm.

Ownership

- Crossroads Treatment Center of Tri-Cities, P.C. is an active limited liability company formed on March 5, 2015 registered with the Tennessee Secretary of State.
- Crossroads Treatment Center of Tri-Cities, P.C. owns the following 14 OTP centers that provide opiate addiction treatment clinics: 3 in North Carolina, 4 in South Carolina, 4 in Georgia, and centers in Virginia (1) and South Carolina (1) not yet operational.

- Crossroads Treatment Center of Tri-Cities, PC is 100% owned by Rupert L. McCormac, IV, M.D. This entity will be responsible for all medical aspects of the proposed facility and will hold the CON and license.
- Crossroads of Tri-Cities Management Company, LLC will manage the proposed facility. The LLC is owned by Treatment Centers HoldCO, which is 100% owned by Crossroads Holding, LLC.
- Crossroads Holdings, LLC is owned by the following: RCP Crossroads Fund I Blocker, Inc. 28%, Rupert J. McCormac IV, MD: 23%, Steven W. Kester: 17%, CT Centers Holdings, Inc. Carter, Greene, Hancock, Hawkins, Johnson, Sullivan, Unicoi and Washington counties., 9%, RCP Crossroads Co-Invest Fund Blocker, Inc. 7% And James Hamilton Evans: 6%.
- Please refer to Attachment A.4 for a list ownership interest of 5% or greater.

Facility Information

- The proposed 6,000 SF facility will be located on a 1.5 acre lot with a parking lot consisting of 85 parking spaces.
- Calhoun Real Estate, LLC (purchaser of property from Mountain States Alliance) will assign its property rights to the management company, Crossroads of Tri-Cities Management Company, LLC, through an assignment and assumption agreement.
- The applicant, Crossroads Treatment Center of Tri-Cities. P.C., will lease the property from the management company, Crossroads of Tri-Cities Management Company, LLC through a signed 5 year Option to Lease agreement.
- Copies of each real estate transaction described above are located in the original application, supplemental #1, and supplemental #2.

The proposed 6,000 SF facility will contain the following areas:

- Patient reception/waiting area with a seating capacity of 55, including 2 payment booths.
- A group counseling room and 13 counseling offices; a break room; a laboratory; and chart room.
- Restrooms for staff, clients and drug screening tests.
- Secure pharmaceutical storage in a secure medication room; 4 medication administration spaces ("dosage booths").
- Office space for Nursing Staff, Program Director, Clinic Director and Medical Director.
- A floor plan drawing for the facility is located in Attachment B.IV.—Floor Plan.

Note to Agency members: The 55 seat capacity waiting room and 85 space parking lot is designed by the applicant to serve a projection of 100 clients in the first month of services up to 697 clients in the 12th month operation, and 1,108 clients in Year 2.

There are currently no other licensed facilities in the proposed service area. If approved, Crossroads Treatment Centers will be the 13th OTP in the state (note: a map of all licensed and proposed OTPs is provided in the application attachments). The closest treatment facilities in the state are located in Knoxville (Knox County), TN and are owned by Behavioral Health Group (BHG). BHG is based in Dallas, Texas and currently owns a majority of the existing OTP clinics (nine of the twelve) in Tennessee. BHG owns clinics in Knoxville (2), Nashville (1), Memphis (3), Jackson (1), Paris (1), and Columbia (1).

The TDMHSAS Central Registry Opioid Treatment data is no longer available. Paris Professional Associates, CN0903-014A, reviewed in 2009, was the last OTP application that included the most recent methadone registry data. The applicant provided a copy of the 2008 Methadone Registry that indicated consumers by county of residence and clinic. A copy of the 2008 registry is located in Attachment C, Need 1 (a). This registry captured only the Tennessee facilities where methadone clients receive services. The methadone registries of adjoining states were not available. The TDMHSAS report notes there are currently 28 residents from the 8 County proposed service area enrolled in services at Knoxville, TN OTP providers.

The following table displays the 2008 service area out-migration for the eight-county service area to Tennessee OTPs:

2008 Methadone Registry/ Proposed Service Area Out-Migration

		Treatment	Facility	. N		
County	Davidson Co MidSouth TX Ctr.		Knox DRD Knoxville- Location #1	Knox DRD Knoxville,- Location #2	Other	Total
Carter	Ciii	4	2	1		7
Greene		9	2	8		10
Hancock		9	17	2	- e	19
Hawkins	1	2	5	15		23
Johnson	1		1			2
Sullivan	1		10	8		19
Unicoi		1		1	1	3
Washington	**		4	2		6
Total	3	9	41	37	1	89

Source: CN1511-048

- In 2008 there were 89 residents in the proposed 8 County service area receiving OTP services from Tennessee OTP providers.
- The number of residents in the 8 county service area enrolled with Knox County OTP providers decreased 64% from 78 in 2008 to 28 in November 2015.

The closest Tennessee OTP is located in Knoxville (Knox County), Tennessee which is located over 100 miles away or approximately 1 hour and 37 minute drive time from the proposed clinic site. The closest out of state OTP is located in Weaverville, NC with a traveling distance of 51.8 miles/53 minutes for residents of Johnson City, TN. The following chart reflects the closest OTP to each of the 8 Counties in the proposed service area in comparison to the proposed Crossroads Treatment Center (applicant) planned to be located in Johnson City (Washington County, TN.

Analysis of Driving Distances from Proposed Clinic Location

In Comparison to the Closest Existing OTP Clinics by County

OTP Provider	Carter	Greene	Hancock	st Existing Hawkins	Johnson	Sullivan	Unicoi	Washington
Distance/Time to pr	oposed Cr	ossroads Tr	eatment Cen	ter by Count	y y			
Proposed	11.2	31.4	71.6	48.7	44.6 mi/1	22.9	18.5	4.1 mi/7 min.
Crossroads	mi./22	mi./51mi	mi./1hr 34	mi/56	6 min.	mi/26	mi/21	
Treatment Center,	min.	n.	min.	min.		min.	min	
Johnson City, TN					2:			E
Distance/Time to Cl	osest existi	ing OTP to	each County	in the propo	sed service a	rea		
Crossroads of	52.3	47.5	N/A	N/A	N/A	69.4 mi/1	31.3	51.8 mi/53 min
Weaverville,	mi./ 56	mi/1h 1o				h 7 min	mi./32	
Weaverville, NC	min.	min.					min.	
DRD Knoxville	N/A	N/A	69.8 mi/lh	65.8 mi/1	N/A	N/A	N/A	N/A
Medical Clinic			27min	hr 18 min.			4	
Stepping Stones	N/A	N/A	N/A	N/A	25.6	N/A	N/A	N/A
Wellness Ctr.,					mi./36			
Boone, SC					min	NAME OF TAXABLE PARTY.		
- McCrossroads Frea	tment Cer	iter is appro	wed, the diff	erence in mil	es and daily	round trip sa	vings are l	isted below
Difference in	-41.1	-16.1	+1.8 mi./	-17.1	+19 mi/	-46.5 mi./	-12.8	₹ -47.7 mi./
nearest OTP	mi./34	mi./10	+7 min.	mi./22	+30 min.	-41 min.	mi./	-46 min.
miles/time	min.	min.		min.			- 10	
		2					min.	
Daily Round Trip	-82.2	-32.1 mi/	+3.6 mi./	-34.2 mi /	+38 mi./	-92.4	-25.6	-95.2 mi./
Savings	mi./	-20 min.	+14 min.	-44min.	+1 hr.	mi./1 hr.	mi./	-1 hr. 32 min.
K- N	-1 hr.	r.	-			22 min.	-20	
	8 min.						min.	

Source: CN1511-048 Supplemental #1.

• If approved, an OTP in Washington County will shorten the round trip to the closest existing OTP in 6 out of 8 counties in the proposed service area.

^{*}A negative difference in miles/time represents a saving in daily commuting; a positive difference represents additional miles/time.

- The ranges in shorter round trips to a new Washington County OTP are from 25.6 miles (20 minutes) from Unicoi County to 95.2 miles (1 hr. 32 minutes) from Washington County.
- A new OTP in Washington County will not decrease the daily round trip to an OTP for residents in Hancock and Johnson Counties.
- A complete chart of driving distances from each county in the proposed service area to the nearest 12 OTPs is located on page 12 of supplemental #1.
- State and federal OTP regulations require new patients to make daily commutes (6 or 7 days) for up to 3 months of treatment.

The applicant reports methadone maintenance treatment (MMT) was developed in 1964 and is the most common and established form of opioid addiction treatment. In October 2002, the applicant notes the Food and Drug Administration (FDA) approved buprenorphine, subutex, and suboxone for use in opioid addiction treatment. The applicant indicates private physicians rarely offer on-site counseling in conjunction to buprenorphine treatment and states getting buprenorphine from a physician's office is termed "dose and dash" because of the lack of counseling, drug testing, diversion monitoring and care planning.

Note to Agency Members: The Addiction Treatment Act of 2000 allows qualifying physicians to receive a waiver from the special registration requirements in the Controlled Substances Act for the provision of medicationassisted opioid therapy. This waiver allows qualifying physicians to practice medication-assisted opioid addiction therapy with Schedule III, IV, or V narcotic medications specifically approved by the Food and Drug Administration (FDA). On October 8, 2002 Subutex® (buprenorphine hydrochloride) and Suboxone® tablets (buprenorphine hydrochloride and naloxone hydrochloride) received FDA approval for the treatment of opioid addiction. The physician has the capacity to refer addiction therapy clients for appropriate counseling and other non-pharmacologic therapies, and that the physician will not have more than 30 clients on addiction therapy at any one time for the first year. (Note: the number of a physician's practice locations does not affect the 30-patient limit. One year after the date on which the physician submitted the initial notification, the physician will be able to submit a second notification stating the need and intent to treat up to 100 clients.) Source: http://buprenorphine.samhsa.gov/waiver_qualifications.html

The SAMSHA (Substance Abuse and Mental Health Services Administration) physician and treatment locator web-site for physicians certified for Buprenorphine Treatment indicates there are 114 certified physicians in the

proposed 8 county service area. The following table is a breakout of providers by county.

	Carter	Greene	Hancock	Hawkins	Johnson	Sullivan	Unicoi	Washington	Total
Buprenorphine Providers	3	9	0	1	0	35	2	64	114

Source: SAMSHA website queried 2/8/2015.

Note to Agency members: TDMHSAS reported there are 146 buprenorphine providers in the proposed service area, while the applicant and SAMSHA webbased buprenorphine Treatment Physician locator indicates there are 114 in the proposed service area. Agency staff contacted the SAMSHA Buprenorphine Information Center (866-287-2728) on February 10, 2016 concerning the discrepancy. The Buprenorphine staff indicated the web-based buprenorphine Treatment Physician locator lists only the certified buprenorphine treatment physicians that want to be publicly known. The web-site does not reflect those certified physicians that wish to not be publicly listed.

The physicians listed by SAMSHA may not be accepting new patients. There are no public registry reporting requirements for buprenorphine providers in Tennessee that confirms capacity and reflects current caseloads, access, and any applicable waiting lists.

Project Need

The applicant states the proposed project is needed for the following reasons:

- The applicant estimates there are between 8,800 and 21,500 adults in the service area who are addicted to opioids (heroin and prescription pain pills).
- The service area needs a medication-assisted services provider that will utilize methadone to help clients stop abusing opioids, manage triggers and addictive behaviors and gain control of their lives.

Service Area Demographics

Crossroads Treatment Centers declared primary service area (PSA) includes Carter, Greene, Hancock, Hawkins, Johnson, Sullivan, Unicoi and Washington counties. The total population of the service area is estimated at 578,724 residents in CY 2015 increasing by approximately 2.4% to 592,634 residents in CY 2019.

• The overall Tennessee statewide population is projected to grow by 3.7% from 2015 to 2019.

• The number of residents enrolled in TennCare ranges by county from 16.3% to 23.4% of the total service area population compared to 20.5% statewide.

Historical Utilization

The following table represents the 8 county out-migration of OTP clients to North Carolina and the 2014 percentage share of business from Tennessee residents for each OTP.

			*Service	e Area OT	P Historica	l Utilizati	ion and Si	hare		
OTP	Distance from applicant	2012 Total Patients	2013 Total Clients	2014 Total Patients	'12-'14 % Change	prop	ents from osed 8 co ervice are	ounty	'12-'14 % Change	2014 Service Area Clients as a % of
	+				-	2012	2013	2014		Total
Crossroads of Weaverville, NC	51.8 miles	441	463	495	+12.2%	227	241	260	+14.5%	52.5%
Crossroads of Asheville, NC	59.3 miles	635	645	657	+3.4%	33	34	35	+6.0%	5.3%

Source: CN1511-048

*Public information is not available from the following OTPS: BHG Asheville Treatment Center, Asheville, NC; Mountain Area Recovery Center, Inc., Asheville, NC; Mountain Health Solutions, Asheville, NC; Western Carolina Treatment Center, Asheville, NC; and New River Comprehensive Treatment Center, Galax, VA

 Crossroads of Weaverville, NC percentage of clients from the proposed Tennessee service area totaled 52.5% of their overall business, or 260 of 495 clients in 2014.

Public OTP utilization data from states that border Tennessee are not available. The following table indicates the current number of clients as of November 2015 from the proposed 8 county service area, by County, that are served by out of state bordering OTP providers that are owned by the applicant's parent company.

OTP	Carter	Greene	Hancock	Hawkins	Johnson	Sullivan	Unicoi	Washington	Total
Crossroads of Weaverville, NC	64	14	7	19	1	74	9	89	*277
Crossroads of Asheville, NC	3	5	1 -	11	0	9	0	7	*36

Source: CN1511-048

*Public information is not available from the following OTPS: BHG Asheville Treatment Center, Asheville, NC; Mountain Area Recovery Center, Inc., Asheville, NC; Mountain Health Solutions, Asheville, NC; Western Carolina Treatment Center, Asheville, NC; and New River Comprehensive Treatment Center, Galax, VA

 Crossroads of Weaverville, NC served the highest number of clients with 277 clients in November 2015, ranging from 1 patient residing in Johnson County to 89 residing in Washington County.

Crossroads of Asheville, NC served 36 clients in November 2015 ranging from 0 to 11 from each county in the proposed 8 county service area.

Applicant Projected Utilization

The applicant proposes to serve 697 clients in Year 1 (2016) and 1,108 clients in Year 2 (2017). The following chart indicating the patient origin by county in Year One and Year Two of the proposed project.

	clie	nts in Yea	Year One	and Year T	wo of the	proposes	Unicoi	Washington	Total
	250		Try sook	1 5 mm	Johnson	Sullivan		214	697
	Carter	Greene		67	2	185	20		1,108
Clients	149	42	18		1	294	32	340	1,100
Year 1	237	67	28	106					
Clients Vear 2	231	10.0	Jamental #1			4			

Source: CN1511-048 Supplemental #1

Major costs of the \$1,830,770 total estimated project cost are as follows: **Project Cost**

- Construction costs combined cost of \$1,274,260.00, including site architectural/engineering costs, preparation,
- Site cost of \$295,000 or approximately 16.1% of the total project cost.
- For other details on Project Cost, see the Project Cost Chart on page 40 of the application.

Historical Data Chart

- Since the applicant is proposing a new OTP, there is no historical data
- The applicant provided a combined historical data chart (2014 only) for Crossroads Treatment Centers located in Asheville and Weaverville, NC in Supplemental #1. The applicant combined the PC (owner) and LLC (Management Company) financial information in the charts. (Asheville)
 - According to the Historical Data Chart Crossroads experienced profitable net operating results of \$874,296 and Crossroads (Weaverville) of \$835,761 in 2014.

The applicant projects \$1,668,215 in total gross revenue on 697 clients during the first year of operation and \$3,826,645 on 1,108 clients in Year Two. The Projected Data Chart reflects the following:

 Net operating income less capital expenditures for the applicant will equal (\$540,245) in Year One increasing to \$329,123 in Year Two.

- Net operating revenue after charity care is expected to reach \$3,711,845 or approximately 97% of total gross revenue in Year Two.
- Charity care at approximately 3.0% of total gross revenue in Year One and Year Two equaling to \$50,046 and \$114,800, respectively.
- Charity Care calculates to 20.91 clients per year in Year One.

Patient Charges

- The cost of methadone maintenance treatment after initial intake is
- The applicant will waive the intake fee for all new and transfer patients and will charge \$1.00 per day for the first 30 days of treatment.
- Statewide, the routine weekly charges range from \$94.50 at Recovery of Columbia to \$116.00 at BHG's Knoxville Bernard Treatment Center and BHG Knoxville Citico Treatment Center.
- A charge schedule table for the clinic's services compared to other providers is located on page R47 of the application.

Payor Mix

- The applicant indicates it does not expect to receive any revenues from TennCare, Medicare, or other state or federal sources.
- The projected payor mix includes Private/Self-pay only. Charity care represents 20.9 clients in Year One of the project.

Note to Agency Members: (MMT) is not a TennCare covered service for adults over the age of 21. MMT is a covered service for enrollees between 18 and 20 years but TennCare will not directly reimburse the facility. TennCare covers generic buprenorphine, Subutex and Suboxone for opiate addiction. To be reimbursed for medically necessary services, persons between 18 and 20 years old pay out of pocket for treatment. OTPs submits required documentation to the MCO so the patient can be reimbursed. The applicant indicates on page 30 of the application that any qualified TennCare patient

Financing

- The management company Crossroads of Tri-Cities Management Company, LLC will receive funding for the project's start-up costs from a revolving line of credit agreement from Ally Bank.
- A November 23, 2015 letter from the Vice President of Ally Bank states' that approximately \$1.9 million in funding would be provided to t' applicant through a revolving credit agreement set at LIBOR plus 5.0 The rate as of the date of the letter is 6.00%.

• Crossroads Holding, LLC audited financial statements for the period ending December 30, 2014 indicates \$474,702 in cash and cash equivalents, total current assets of \$851,937, total current liabilities of \$968,862, for a current ratio of 0.88:1.

Note to Agency members: Current ratio is a measure of liquidity and is the ratio of current assets to current liabilities which measures the ability of an entity to cover its current liabilities with its existing current assets. A ratio of 1:1 would be required to have the minimum amount of assets needed to cover current liabilities.

Staffing

The applicant's proposed direct patient care staffing includes the following full time equivalent (FTE) positions.

	FTE
Program Director	1.0
Clinical Director	1.0
Administrator	1.0
Lead Registered Nurse	1.0
Dosing Licensed Practical Nurse	1.0
Counselor	2.0
Physician	0.3
Physician Assistant	1.0
Security	1.0
Total	9.3

Source: CN1511-048

Licensure/Accreditation

- The applicant indicates the Commission on Accreditation of Rehabilitation Facilities (CARF) will accredit the facility.
- A summary of the state licensure surveys for 9 existing out of state OTPs owned by the applicant's parent company is included in Supplemental #1.

Notices

TCA § 68-11-1607 (c) (3) requires an applicant for a nonresidential substitution-based treatment center for opiate addiction to file notices with certain state, county, and local government officials within 10 days of filing the CON application. HSDA staff verified the applicant met all requirements of TCA § 68-11-1607 (c) (3). The applicant documented the following officials had been notified:

- State Representative James (Micah) Van Huss
- State Senator Rusty Crowe
- Washington County Mayor Dan Eldridge
- City of Johnson City Mayor Clayton Stout

The applicant has submitted the required corporate and real estate lease documentation. HSDA staff reviewed these documents. A copy will be available for member reference at the meeting. Copies are also available for review at the Health Services and Development Agency office.

Should the Agency vote to approve this project, the CON would expire in two years.

CERTIFICATE OF NEED INFORMATION FOR THE APPLICANT:

There are no other Letters of Intent, pending applications, denied applications, or outstanding Certificates of Need for this applicant.

CERTIFICATE OF NEED INFORMATION FOR OTHER PROVIDERS IN THE SERVICE AREA:

There are no letters of intent, or pending applications, or outstanding Certificates of Need for other health care organizations in the service area proposing this type of service.

Denied Applications

Tri-Cities Holdings LLC d/b/a Trex Treatment Center, CN1303-005D, was denied at the June 26, 2013 Agency meeting. The application was for the establishment of a non-residential substitution-based treatment center for opiate addiction offering methadone and buprenorphine to treat opiate addiction preventing symptoms of withdrawal. The estimated project cost was projected to be \$670,000. Reason for Denial: The application did not meet the statutory criteria. There was not a need for this service as there were effective treatment options available for opiate addiction in the area.

PLEASE REFER TO THE REPORT BY THE DEPARTMENT OF MENTAL HEALTH AND SUBSTANCES ABUSE SERVICES FOR A DETAILED ANALYSIS OF THE STATUTORY CRITERIA OF NEED, ECONOMIC FEASIBILITY, AND CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE IN THE AREA FOR THIS PROJECT. THAT REPORT IS ATTACHED TO THIS SUMMARY IMMEDIATELY FOLLOWING THE COLOR DIVIDER PAGE. PME 02/08/2016

LETTER OF INTENT



State of Tennessee Health Services and Development Agency

Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

www.tn.gov/hsda

Phone: 615-741-2364 Fax: 615-741-9884

LETTE	ER OF INTENT
The Publication of Intent is to be published in the	he Johnson City Press
which is a newspaper of general circulation in the cou	(Name of Newspaper Inty of: Washington
Tennessee, on or before November 6 (Month/Day)	(County), 2015for one day(Year)
This is to provide official notice to the Health Servi accordance with T.C.A. § 68-11-1601 et seq., and the	ices and Development Agency and all interested parties, in Rules of the Health Services and Development Agency, that:
Crossroads Treatment Centers	N/A
(Name of Applicant)	(Facility Type-Existing)
owned by: Crossroads Treatment Centers of Tri-Cities, PC	with an ownership type of Professional Corporation
and to be managed by: Crossroads of Tri-Cities Management Co., LLC	intends to file an application for a Certificate of Need
a street address has not yet been assigned, between Susanna	on-based (methadone) treatment center for opiate addiction, and the center will be developed and located on Princeton Road, where ah Street and Wesley Street, on land that is currently vacant next to nington County), Tennessee 37604. The cost of the project is
The anticipated date of filing the application is: Or	
	n or before November 11 , 20 15 Looney, Esq. Attorney
2-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1	(Contact Name) (Title)
who may be reached at: Waller Lansden Dortch (Company Na	
Nashville TN (State)	37219 615 / 850-8722 (Zip Code) (Area Code) / (Phone Number)
Pr Hotone Novem	(Date) Kim.Looney@wallerlaw.com (Email-Address)

The Letter of Intent must be filed in triplicate and received between the first and the tenth day of the month. If the last day for filing is a Saturday, Sunday or State Holiday, filing must occur on the preceding business day. File this form at the following address:

Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, Tennessee 37243

The published Letter of Intent must contain the following statement pursuant to T.C.A. § 68-11-1607(c)(1). (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.

HF51 (revised 01/09/2013 - all forms prior to this date are obsolete.)

COPY

CROSSROADS TREATMENT CENTER

CN1511-048

November 20, 2015

1.	Name of Facility, Agency, or Institution		12:24 pm
	Crossroads Treatment Centers		a x
	Crossroads Treatment Centers Name		
- 2	413 Princeton Road		Machinetan
	Street or Route		<u>Washington</u> County
	Johnson City	TN	37601
	City	State	Zip Code
	all a so post of the second	Otate	Zip Code
	MA 4 S		e *
2.	Contact Person Available for Responses	to Questions	
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	2 4	5 5	
	Kim Harvey Looney	Atto	rney
	Name	Title	
7.	Waller Lansden Dortch & Davis LLP	kim.	looney@wallerlaw.com
8	Company Name		ail address
			N 37219
#1	Street or Route City	y S	State Zip Code
	Attorney	615-850-87	22 615-244-6804
21	Association with Owner	Phone Num	
		*	
-			A D
3.	Owner of the Facility, Agency or Institution	<u>on</u>	
		- E	
15.00	Crossed Transaction of Tri Oliver	0.00	004 507 0445
14	Crossroads Treatment Center of Tri-Cities, I Name	PC	864-527-3145
	105 North Spring Street, Suite 109		Phone Number Washington
22	Street or Route		County
	Greenville	sc	29601-2859
	City	State	Zip Code
4.	Type of Ownership of Control (Check On	e)	
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6		or Political Subdivi	
	•	G. Joint Venture	0.0
,		H. Limited Liabil	
5 g A	E. Corporation (Not-for-Profit)		fy) <u>Professional</u> X
		Corporation	2 H

PUT ALL ATTACHMENTS AT THE BACK OF THE APPLICATION IN ORDER AND REFERENCE THE APPLICABLE ITEM NUMBER ON ALL ATTACHMENTS.

Response: See <u>Attachment A-4</u> for copy of corporate documents and organizational charts.

5.	Name of Management/Operating	g Entity (If Ap	Diicabiei	2:11 pm
	Crossroads of Tri-Cities Managen	nent Company	LLC	
	Name	Home Gornbann		 6
ì	105 N Spring Street			Greenville
	Street or Route			County
	O		SC	29601
	City		State	Zip Code
	City		Olaic	2.p @00c
8	PUT ALL ATTACHMENTS AT THE REFERENCE THE APPLICABLE Response: See Attachment A-5	E ITEM NUMBE	EŘ ON ALL ATTACHN	IENTS.
6.	Legal Interest in the Site of the	Institution (Cl	neck One)	
	A. Ownership	D	Option to Lease	X
*	B. Option to Purchase		Other (Specify)	<u>~</u>
	C. Lease ofYears		(opoon)/	-
	REFERENCE THE APPLICABLE Response: See <u>Attachment A-6</u>	for a copy of th	re Option to Lease.	
7.	Type of Institution (Check as app	oropriatemor	e than one response	may apply)
	 A. Hospital (Specify) B. Ambulatory Surgical Treatment Center (ASTC), Multi-Specialty C. ASTC, Single Specialty D. Home Health Agency E. Hospice 	J. K. L. M.	Nursing Home Outpatient Diagnostic Recuperation Center Rehabilitation Facility Residential Hospice Non-Residential Opioility	id Treatment
	F. Mental Health Hospital		Facility	<u>X</u>
	G. Mental Health Residential	0.	Birthing Center	
	Treatment Facility		Other Outpatient Faci	lity
	H. Mental Retardation Institutional		(Specify)	
	Habilitation Facility (ICF/MR)	Q.	Other (Specify)	
_				10 A 150 - 1
8.	Purpose of Review (Check) as ap	propriatemo	re than one response	may apply)
255	 A. New Institution B. Replacement/Existing Facility C. Modification/Existing Facility D. Initiation of Health Care Service as defined in TCA § 68-11-1607(4) (Specify) 		Change in Bed Complete in Bed	of change propriate Decrease, on, n]
	E. Discontinuance of OB Services	l.	Other (Specify)	-
17	F. Acquisition of Equipment			

9.	Bed Complement Data		No	ot applica	ble.	
	Please indicate current and propos	ed distribu	tion and ce	ertificatio	n of facil	ty beds.
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	J. Child/Adolescent Psychiatric K. Rehabilitation	2				
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V.	Certification Type	Α	ş:			
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-			*			
1.	Medicaid Provider Number N	A		19		1.
	Certification Type			T	* * *	
			1.2			
2.	If this is a new facility, will certificati	on be sou	ght for Med	icare and	d/or Medic	caid? No.
			No. Comment	199		10.3
13.	Identify all TennCare Managed Care	Organizati	ons/Behav	ioral Hea	ith Organ	izations
	(MCOs/BHOs) operating in the propo	osed servi	ce <i>area</i> . W	ill this pr	oject invo	Ive the
	treatment of TennCare participants?	No. If th	e response	to this it	tem is yes	, please
	identify all MCOs/BHOs with which t	ne applica	nt has conf	tracted o	r plans to	contract
	Diameter					A DC
	Discuss any out-of-network relation	snips in pl	ace with M	COs/BHC	s in the a	rea. N/A

NOTE:

Section B is intended to give the applicant an opportunity to describe the project and to discuss the need that the applicant sees for the project. Section C addresses how the project relates to the Certificate of Need criteria of Need, Economic Feasibility, and the Contribution to the Orderly Development of Health Care. Discussions on how the application relates to the criteria should not take place in this section unless otherwise specified.

SECTION B: PROJECT DESCRIPTION

Please answer all questions on 8 1/2" x 11" white paper, clearly typed and spaced, identified correctly and in the correct sequence. In answering, please type the question and the response. All exhibits and tables must be attached to the end of the application in correct sequence identifying the questions(s) to which they refer. If a particular question does not apply to your project, indicate "Not Applicable (NA)" after that question.

Provide a brief executive summary of the project not to exceed two pages. Topics to be included in the executive summary are a brief description of proposed services and equipment, ownership structure, service area, need, existing resources, project cost, funding, financial feasibility and staffing.

Response: The Applicant, Crossroads Treatment Centers ("Crossroads" or "the Applicant"), proposes a new non-residential opioid treatment program (OTP) in Johnson City, Tennessee. The Applicant is financially stable and well capitalized to execute this project. The proposed service area for the Crossroads facility in Johnson City is comprised of the eight most northeastern counties in Tennessee: Carter, Greene, Hancock, Hawkins, Johnson, Sullivan, Unicoi County, and Washington Counties.

Crossroads is owned by Crossroads Treatment Center of Tri-Cities PC, which is owned 100% by Dr. Rupert J. McCormac, IV, MD. This entity will be responsible for all medical aspects of the proposed center in Johnson City and, if approved, hold the CON and facility license. Crossroads of Tri-Cities Management Co., LLC ("the LLC"), through a Management Agreement, will have management responsibility for the proposed center. The LLC is owned by Treatment Centers HoldCo, which is 100% owned by Crossroads Holding, LLC. Through its relationship with Crossroads Holding, the Applicant will be able to rely on the extensive experience of Crossroads Management Entities. Throughout this application, the Applicant refers to the expertise of the "Crossroads Management Entities" in several locations to illustrate the resources it will be able to rely on. Organizational charts for the Crossroads Treatment Center PCs and the Crossroads Management Company LLCs are included in Attachment A-4. If and when approved and Crossroads is operational, the PC and LLC for the Johnson City location will be added to their respective organizational charts.

Crossroads will provide medication-assisted treatment ("MAT") for the rehabilitation of persons dependent on opioids to include opium, morphine, heroine, or any derivative of the group. These derivatives commonly include pain medications such as Oxycontin.

Attachment B.I includes a detailed history of the prescription drug epidemic Tennessee is facing, a history of OTPs, and the need for the proposed project. Responses throughout this application will refer to this narrative in <u>Attachment B.I</u> for more information.

In its Prescription for Success: Statewide Strategies to Prevent and Treat the Prescription Drug Abuse Epidemic in Tennessee strategic plan, the Tennessee Department of Mental Health and Substance Abuse Services (TDMHSAS) discusses the impact of the prescription drug epidemic in Tennessee. In the forward, it states,

Prescription drug abuse is a pervasive, multi-dimensional epidemic that is impacting Tennessee families and communities and requires a coordinated and collaborative response.

The proposed project is a direct response to this epidemic. The Applicant estimates that there are between 8,800 and 21,500 adults in the service area who are addicted to opioids (heroin and prescription pain pills). This estimate is derived using data from: (1) SAMHSA (Substance Abuse and Mental Health Services Administration- U.S. Department of Health and Human Services) using this data yields 8,809 opioid abusers or opioid dependents from the proposed service area, and (2) Tennessee's Department of Mental Health and Substance Abuse Services report, "Prescription Drug Abuse In Tennessee" by the Safety Subcabinet Working Group, reported that almost 250,000 Tennesseans older than 12 reported abusing prescription opioids in 2009. Applied to the service area adult population, this would yield approximately 21,500 opioid abusers or opioid dependents from the proposed service area.

Crossroads Management Entities specialize in the use of field-recognized and research-supported practices in the treatment and care of adults with opioid dependence. The Applicant only provides MAT services utilizing methadone to help patients stop abusing opioids, manage triggers and addictive behaviors and gain control of their lives. Methadone maintenance treatment ("MMT") is a MAT that uses methadone. When taken as prescribed, methadone is very safe and prevents patients from experiencing withdrawal symptoms while at the same time not producing drowsiness or disorientation.

Patients will receive daily oral doses of methadone that eliminate withdrawal symptoms and cravings from prior opioid abuse without producing a high. Methadone is a synthetic, non-harmful opioid producing stabilizing effects that last approximately 24-hours, but will not interfere with carrying out employment and family responsibilities. Dosage amounts are always set by the Medical Director after appropriate assessment. During the first 90 days of treatment, most doses will be administered only in the clinic and by a trained program nurse.

Crossroads' services are designed to support patient health and recovery, manage symptoms, promote personal growth, enhance patients' quality of life, and improve patients' relationships with their family and community. In addition to providing properly dosed methadone treatment to patients, Crossroads' treatment services will include:

- Physical and Psychosocial Assessments
- Laboratory Screening
- Drug Screening
- HEP C and HIV Screening
- TB Screening
- Coordination of Care with Prescribing Physicians

Applicant attempted to get Registry Data of NRMTF enrollment by county from the Tennessee Department of Mental Health and Substance Abuse Services, but the Department does not release this data publically. This is a policy change from prior NRMTF CONs where the data was provided

- Substance Abuse Counseling
- Referral Services for Mental Health, Medical, Vocational and Educational Needs

The Applicant will provide for personnel and staffing in accordance with the Rules of TDMHSAS, including a designated program director, a medical director, physician services, an on-site prescriber of services, nursing care, a registered nurse to supervise the nursing staff, and counselors available to provide individual and group counseling.

There are no other OTP programs in the service area. The closest are in Knoxville, or Weaverville or Asheville, North Carolina. Knoxville is 99 miles away from Johnson City and 113 miles from Bristol. These distances make it difficult for the population to receive necessary treatment. The Applicant anticipates project costs of \$1,830,770, with funding provided by Ally Bank.

- II. Provide a detailed narrative of the project by addressing the following items as they relate to the proposal.
 - Describe the construction, modification and/or renovation of the facility (exclusive of A. major medical equipment covered by T.C.A. § 68-11-1601 et seq.) including square footage, major operational areas, room configuration, etc. Applicants with hospital projects (construction cost in excess of \$5 million) and other facility projects (construction cost in excess of \$2 million) should complete the Square Footage and Cost per Square Footage Chart. Utilizing the attached Chart, applicants with hospital projects should complete Parts A.-E. by identifying as applicable nursing units, ancillary areas, and support areas affected by this project. Provide the location of the unit/service within the existing facility along with current square footage, where, if any, the unit/service will relocate temporarily during construction and renovation, and then the location of the unit/service with proposed square footage. The total cost per square foot should provide a breakout between new construction and renovation cost per square foot. Other facility projects need only complete Parts B.-E. Please also discuss and justify the cost per square foot for this project.

Response: The proposed facility will be housed in a new building to be constructed at an address to be assigned on Princeton Road, in Johnson City (Washington County). The building is a single story with ample parking for patients and staff in the front and rear of the building. The closest cross streets are Wesley and Susannah. The site is on vacant land next to the Princeton Medical Center Building.

A schematic drawing of the facility is included in <u>Attachment B, Project Description</u>, <u>IV</u>. The proposed project includes space for 13 rooms for patient counseling, a pharmacy with dosing areas, a group room, offices for the director, medical director, and nurses, as well as a patient waiting room, restrooms, a laboratory, staff break room, and payment window for patients. There is also ample storage area, a janitor's closet, and a chart room at the proposed facility. The following areas in the space will be American Disabilities Act (ADA) compliant: restroom, payment window, counselor's office and patient counseling.

The proposed OTP will have a full security system with motion detectors, door alarms and a panic button at the receptionist desk. The safes have alarm systems as well. The only individuals that have the code to the medicine safe are the nursing director and the Program Director. A full camera system will monitor the interior of the entire center, all parking areas, as well as multiple cameras watching the pharmacy, safes and dosing windows. The security system, with cell back up, is checked each month by the Program Director. Also, the Drug Enforcement Administration inspects the security system as a part of regular inspections to ensure fully functioning operations.

Patients are expected to leave the premises upon receiving treatment services. No loitering will be permitted under any circumstances. A security guard is employed from 30 minutes prior to opening to 30 minutes after closing to prevent loitering and any other issues that may arise. Attachment B, Project Description, II.A contains a copy of Program Rules which make the consequences for loitering and any other infractions clear for patients.

If the project involves none of the above, describe the development of the proposal.

Response: Not applicable.

B. Identify the number and type of beds increased, decreased, converted, relocated, designated, and/or redistributed by this application. Describe the reasons for change in bed allocations and describe the impact the bed change will have on the existing services.

Response: Not applicable.

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	Project Grand Total										£1 449 600

- C. As the applicant, describe your need to provide the following health care services (if applicable to this application):
 - Adult Psychiatric Services
 - 2. Alcohol and Drug Treatment for Adolescents (exceeding 28 days)
 - 3. Birthing Center
 - 4. Burn Units
 - 5. Cardiac Catheterization Services
 - 6. Child and Adolescent Psychiatric Services
 - 7. Extracorporeal Lithotripsy
 - 8. Home Health Services
 - 9. Hospice Services
 - 10. Residential Hospice
 - 11. ICF/MR Services
 - 12. Long-term Care Services
 - 13. Magnetic Resonance Imaging (MRI)
 - 14. Mental Health Residential Treatment
 - 15. Neonatal Intensive Care Unit
 - 16. Non-Residential Methadone Treatment Centers
 - 17. Open Heart Surgery
 - 18. Positron Emission Tomography
 - 19. Radiation Therapy/Linear Accelerator
 - 20. Rehabilitation Services
 - 21. Swing Beds

Response: There is a tremendous need for OTP services in the service area. The service area for the proposed Crossroads facility in Johnson City is comprised of the eight most northeastern counties in Tennessee: Carter, Greene, Hancock, Hawkins, Johnson, Sullivan, Unicoi County, and Washington Counties. The service area's total population is over 600,000 and expected to grow by 13,910 residents between 2015 and 2019. The adult population age 20+ was 452,389 in 2015 and is expected to grow to 470,448 by 2019. In spite of its large population, there is not a single OTP offering services in the service area.

The Applicant estimates that there are between 8,800 and 21,500 adults in the service area who are addicted to opioids (heroin and prescription pain pills), which estimate is conservative. This estimate is derived using the following methods:³

- SAMHSA reports that nationally heroin use was 0.1% in adults (ages 18 and older) and non-medical prescription pain medication use was 1.7% for adults in 2013. Combined, using the service area's 2014 population age 18+, this metric estimates there are 8,809 opioid abusers or opioid dependents from the proposed service area.⁴
- Tennessee's Department of Mental Health and Substance Abuse Services report, "Prescription Drug Abuse In Tennessee" by the Safety Subcabinet Working Group, reported that almost 250,000 Tennesseans

⁴ SAMHSA. 2014. Substance Use and Mental Health Estimates from the 2013 National Survey on Drug Use and Health: Overview of Findings. http://store.samhsa.gov/shin/content//NSDUH14-0904/NSDUH14-0904.pdf. Note these percentages

are the same as those for individuals 12 and over.

³ Applicant attempted to get Registry Data of NRMTF enrollment by county from the Tennessee Department of Mental Health and Substance Abuse Services, but the Department does not release this data publically. This is a policy change from prior NRMTF CONs where the data was provided.

older than 12 reported abusing prescription opioids in 2009. This number was based on the National Survey of Drug Use and Health, which estimates 212,000 adults 18 and over in Tennessee (4.4%) misused prescription opioids in 2013. Applying this statistic to the service area's adult population estimates approximately 21,500 opioid abusers or opioid dependents in the proposed service area.

Crossroads proposes to treat these patients, in part, with MAT. MAT utilizing methadone⁵ has been in use as a primary form of treatment for opioid addiction and dependence for over 40 years. MAT is recognized as the most effective treatment for opioid addiction by the CDC.⁶ Numerous studies have shown that MAT reduces drug use, disease rates, and criminal activity among opioid addicted persons. MAT utilizes medication to stabilize brain chemistry, block the euphoric effects of opioids, relieve physiological cravings, and normalize body functions. When taken as prescribed, methadone is very safe and prevents patients from experiencing withdrawal symptoms while at the same time does not produce drowsiness or disorientation.

CMS published a news release on November 3, 2015, which released an interactive online mapping tool which shows geographic comparisons at the state, county and zip code levels of de-identified Medicare Part D opioid prescription claims - prescriptions written and submitted to be filled. Reviewing the information in this resource, provides a better understanding of how this critical issue impacts the proposed service area. The following table shows the counties in the Applicant's service area with the percentage of opioid use.

2015 C	MS OPIOID DATA
County	Avg. Opioid Claim
Carter	6.21%
Greene	5.25%
Hancock	7.47%
Hawkins	7.31%
Johnson	7.21%
Sullivan	7.09%
Unicoi	4.68%
Washington	7.62%

The percentage use for Tennessee is 6.91% and the national average is 5.32%. As can be seen is this table, opioid use for the Medicare population in the Applicant's service area is generally higher than both the national and state averages.

Information from HHS also supports the use of MAT. In a press release dated March 26, 2015, HHS Secretary Sylvia Burwell announced a targeted initiative aimed at reducing prescription opioid and heroin overdose, along with deaths and dependence. One of the three priority areas that she identified to assist in this crisis was "expanding the use of

⁵ Methadone (trade name Dolophine)" means a synthetic opioid agonist which has been approved by the FDA for detoxification and maintenance treatment of opioid addiction. <u>See Rules of The Tennessee Department Of Mental Health and Developmental Disabilities.</u> Chapter 0940-05-42. Definitions.

MAT, a comprehensive way to address the needs of individuals that combines the use of medication with counseling and behavioral therapies to treat substance abuse disorders." The initiative includes launching a grant program to improve access to MAT, including through education, training, and purchase of MAT medications for treatment of prescription drug addiction to opioids and heroin addiction.

In addition to MAT, Crossroads Management Entities also provide counseling and other behavioral therapies, providing a whole-patient approach to the treatment of substance use disorders.

The CDC reports that the benefits of methadone maintenance therapy include:⁷

- · Reduced or stopped use of injection drugs;
- Reduced risk of overdose and of acquiring or transmitting diseases such as HIV, hepatitis B or C, bacterial infections, endocarditis, soft tissue infections, thrombophlebitis, tuberculosis, and STDs;
- Reduced mortality the median death rate of opioid-dependent individuals in MMT is 30 percent of the rate of those not in MMT;
- Possible reduction in sexual risk behaviors, although evidence on this point is conflicting;
- · Reduced criminal activity;
- · Improved family stability and employment potential; and
- Improved pregnancy outcomes.

MAT benefits also include decreases in narcotic use, drug dealing, and other criminal behavior as well as increases in employment and marriage. In addition to the health and public safety value of MAT, there is an economic benefit. Illicit drug use leads to lost productivity at work, increased health care fees, and higher costs associated with the criminal justice system. Research shows an economic cost-benefit ratio for methadone maintenance therapy of nearly \$38 saved for every \$1 spent on MAT.

Service area residents do not currently have reasonable access to an OTP that can provide MAT using methadone. Currently, the closest Tennessee OTP is located in Knoxville, which is over an hour and a half and approximately 100 miles away from Johnson City. Travel distance is a recognized barrier to treatment with studies showing that treatment rates fall substantially as distances to commute increase beyond 25 miles. Patients enrolled in these programs often must make this commute daily, accruing significant costs in gas, time and, often, adding to the patient's inability to maintain a steady job. Some persons seeking help simply forego treatment because of distance barriers. There is no data publicly available on the number of service area residents currently receiving treatment in Knoxville.

⁷ Ibid.

⁸ Hubbard, Marsden, Rachal, et al.,1989. Powers and Anglin, 1993. Web Guide, Part B. National Institute on Drug Abuse, Ed. NIDA International Program, 2013

TRI, Ed. "Cost & Utilization Outcomes of Opioid-Dependence Treatment."

¹⁰ There is no data available on the number of service area residents currently receiving treatment in Knoxville.

¹¹ K. Beardsley, E. D. Wish, D. B. Fitzelle, K. O'Grady, and A M. Arria, "Distance traveled to outpatient drug treatment and client retention," Journal of Substance Abuse Treatment, val. 25, no. 4, pp. 279-285, 2003, cited in "Distance Traveled and Cross-State Commuting to Opioid Treatment Programs in the United States," Journal of Environmental and Public Health, Volume 2011, Article ID 948789.

Crossroads Management Entities operate the nearest out-of-state OTPs, Crossroads of Weaverville, North Carolina and Crossroads of Asheville, North Carolina. Approximately 300 patients currently travel from the service area to the Applicant's Weaverville and Asheville facilities, which are located 49 and 70 miles from the proposed location, respectively. If this application is approved, all 300 patients who make the commute, plus an unknown additional number of residents who would prefer to break the cycle of addiction but cannot make the commute, would be able to receive these important services locally, which increases the likelihood of success of the treatment.

The proposed service area is in the Johnson City-Kingsport-Bristol Combined Statistical Area (CSA). The chart below provides an overview of the population in all Metropolitan Statistical Areas (MSAs) and Micropolitan Statistical Areas in which there is a Tennessee OTP, as well as the population in the Johnson City-Kingsport-Bristol CSA. The map included in Attachment B, Project Description, ILC provides the locations of the existing OTPs in Tennessee. The service area CSA has a larger population than the populations where five of the existing providers provide services. The service area population far exceeds the population base needed to support an OTP, as shown in the table below.

Statistical Area	2014 Population Estimate	Number of Tennessee OTPs Serving Statistical Areas
Nashville-Davidson–Murfreesboro–Franklin, TN Metropolitan Statistical Area	1,792,649	2
Memphis, TN-MS-AR Metropolitan Statistical Area	1,343,230	3
Knoxville, TN Metropolitan Statistical Area	857,585	2
Chattanooga, TN-GA Metropolitan Statistical Area	544,559	1
Johnson City-Kingsport-Bristol, TN-VA Combined Statistical Area	509,170	0
Jackson, TN Metropolitan Statistical Area	130,225	1
Dyersburg, TN Micropolitan Statistical Area	37,935	1
Paris, TN Micropolitan Statistical Area	32,204	* 1 ×
Hardin County, TN (not part of a Metropolitan or Micropolitan Statistical Area)	26,037*	a 1
Maury County, TN (not part of a Metropolitan or Micropolitan Statistical Area)	83,772*	* 1 .

* Data is for 2013.

Source: United States Census Bureau Population Estimates 2014 and Tennessee Department of Health, Division of Policy, Planning and Assessment, 2013 Census

D. Describe the need to change location or replace an existing facility.

Response: Not applicable.

E. Describe the acquisition of any item of major medical equipment (as defined by the Agency Rules and the Statute) which exceeds a cost of \$1.5 million; and/or is a magnetic

resonance imaging (MRI) scanner, positron emission tomography (PET) scanner, extracorporeal lithotripter and/or linear accelerator by responding to the following:

- 1. For fixed-site major medical equipment (not replacing existing equipment):
 - a. Describe the new equipment, including:
 - Total cost ;(As defined by Agency Rule).
 - 2. Expected useful life;
 - 3. List of clinical applications to be provided; and
 - 4. Documentation of FDA approval.
 - b. Provide current and proposed schedules of operations.

Response: Not applicable

- 2. For mobile major medical equipment:
 - a. List all sites that will be served;
 - b. Provide current and/or proposed schedule of operations;
 - Provide the lease or contract cost.
 - d. Provide the fair market value of the equipment; and
 - e. List the owner for the equipment.

Response: Not applicable

3. Indicate applicant's legal interest in equipment (i.e., purchase, lease, etc.) In the case of equipment purchase include a quote and/or proposal from an equipment vendor, or in the case of an equipment lease provide a draft lease or contract that at least includes the term of the lease and the anticipated lease payments.

Response: Not applicable. No major medical equipment is proposed as part of the project.

- III. (A) Attach a copy of the plot plan of the site on an 8 1/2" x 11" sheet of white paper which must include:
 - 1. Size of site (in acres);
 - 2. Location of structure on the site; and
 - 3. Location of the proposed construction.
 - 4. Names of streets, roads or highway that cross or border the site.

Please note that the drawings do not need to be drawn to scale. Plot plans are required for <u>all</u> projects.

Response: See plot plan included as Attachment B, Project Description III.A.

(B) 1. Describe the relationship of the site to public transportation routes, if any, and to any highway or major road developments in the area. Describe the accessibility of the proposed site to patients/clients.

Response: The proposed facility will be at an address to be assigned on Princeton Road, in Johnson City (Washington County), close to major highways. There will be ample parking for patients and staff.

The office location provides convenient access to Interstate 26, a major interstate highway. Kingsport is a 20-minute drive from the site and Bristol, the other major city, is 22 miles away. Both of these distances represent a major improvement on the driving distances patients are forced to endure currently for treatment. The Applicant proposed site is located at an address to be assigned on Princeton Road, between Wesley and Susannah Streets, on land that is currently vacant next to the Princeton Medical Center Building. The closest cross street is Wesley. Blue Route drop offs and pickups occur every hour, starting at 6:25 in the morning. The location provides a major improvement for OTP accessibility, as current options for OTP treatment, whether out-of-state or over 100 miles away in Knoxville, have no available public transportation routes.

The proposed project is compatible with the surrounding land uses. The map in Attachment B, Project Description, III.(B)1 shows the location of the facility. Approximately 40% of the traffic expected at Crossroads will have cleared by 6:30 AM since the program will begin operations at 5:00 AM.

It is important to note that opening an OTP does not result in higher crime rates in the area. The National Institute on Drug Abuse has found that crime does not increase around methadone clinics. A study conducted by University of Maryland School of Medicine faculty revealed that crime rates in areas surrounding OTPs in Baltimore were not significantly different than the crime rates in the surrounding neighborhoods. Researchers found no increased likelihood of crimes due to proximity to an OTP, but rather an increase in crime due to proximity to convenience stores. 12

A 2012 review of literature on crime patterns and substance abuse treatment programs also concluded that there "is not a correlation between crime and the presence of substance abuse treatment centers." The literature review went on to state: "The research results do not support the belief that substance abuse treatment centers are associated with higher crime rates or neighborhood risk. The major factor affecting crime rates is general socio-economic conditions." Given the research that has emerged over the past several years, there is no reason to suspect that approving this project will increase the crime rates in the area surrounding the proposed location.

IV. Attach a floor plan drawing for the facility which includes legible labeling of patient care rooms (noting private or semi-private), ancillary areas, equipment areas, etc. on an 8 1/2" x 11" sheet of white paper.

National Institute on Drug Abuse. 2013. Crime Does Not Increase Around Methadone Clinics in Baltimore. Available at: http://www.drugabuse.gov/news-events/nida-notes/2012/12/crime-does-not-increase-around-methadone-clinics-in-baltimore Hendrickson Development. 2012. Review of Literature Discussing Crime Patterns and Substance Abuse Treatment Programs.

NOTE: <u>DO NOT SUBMIT BLUEPRINTS</u>. Simple line drawings should be submitted and need not be drawn to scale.

Response: See floor plan included as Attachment B, Project Description - IV.

- **V.** For a Home Health Agency or Hospice, identify:
 - 1. Existing service area by County;
 - 2. Proposed service area by County;
 - 3. A parent or primary service provider;
 - 4. Existing branches; and
 - 5. Proposed branches.

Response: Not applicable.

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

In accordance with Tennessee Code Annotated § 68-11-1609(b), "no Certificate of Need shall be granted unless the action proposed in the application for such Certificate is necessary to provide needed health care in the area to be served, can be economically accomplished and maintained, and will contribute to the orderly development of health care." The three (3) criteria are further defined in Agency Rule 0720-4-.01. Further standards for guidance are provided in the state health plan (Guidelines for Growth), developed pursuant to Tenn. Code Ann. § 68-11-1625.

The following questions are listed according to the three (3) criteria: (I) Need, (II) Economic Feasibility, and (III) Contribution to the Orderly Development of Health Care. Please respond to each question and provide underlying assumptions, data sources, and methodologies when appropriate. Please type each question and its response on an 8 1/2" x 11" white paper. All exhibits and tables must be attached to the end of the application in correct sequence identifying the question(s) to which they refer. If a question does not apply to your project, indicate "Not Applicable (NA)."

QUESTIONS

NEED

- 1. Describe the relationship of this proposal toward the implementation of the State Health Plan and Tennessee's Health: Guidelines for Growth.
 - a. Please provide a response to each criterion and standard in Certificate of Need Categories that are applicable to the proposed project. Do not provide responses to General Criteria and Standards (pages 6-9) here.

Project-Specific Review Criteria: Non-Residential Substitution-Based Treatment Center for Opiate Addiction

A non-residential narcotic treatment facility should provide adequate medical, counseling, vocational, educational, mental health assessment, and social services to patients enrolled in the opioid treatment program with the goal of the individual becoming free of opioid dependency.

Response: Crossroads Management Entities specialize in the use of field-recognized and research-supported practices in the treatment and care of adults with opioid dependence. The Applicant only provides MAT services utilizing methadone to help patients stop abusing opioids, manage triggers and addictive behaviors and gain control of their lives. When taken as prescribed, methadone is very safe and prevents patients from experiencing withdrawal symptoms while at the same time not producing drowsiness or disorientation. The treatment provided at Crossroads includes much more than simply prescribing and dispensing medication. Crossroads' treatment includes physician assessment, counseling, laboratory testing and other support services.

The Crossroads Management Entities' approach to MAT recognizes that opioid dependence is a complex medical disease. Therefore, it is imperative that Crossroads' counselors work with patients to address all of the underlying issues. Correspondingly, Crossroads' treats patients through a holistic, biopsychosocial model. This model provides each patient with a comprehensive, individualized treatment plan. addressing both medical factors and individual psychosocial factors. It is well established that when treating opioid dependence, the best success rates are derived from the combination of medication assistance and counseling.

Crossroads is dedicated to helping patients manage opioid addiction, in part by helping patients resolve underlying psychological and social issues. This approach greatly enhances the prospects for a successful recovery process.

Patients will receive daily oral doses of methadone that eliminate withdrawal symptoms and cravings from prior opioid abuse without producing a high. Methadone is a synthetic, non-harmful opioid producing stabilizing effects that last approximately 24-hours, but will not interfere with carrying out employment and family responsibilities. Dosage amounts are always set by the Medical Director after an appropriate assessment. During the first 90 days of treatment, most doses will be administered only in the clinic and by a trained program nurse.

Structure of MAT treatment services provided:

- Individualized Treatment Planning
- Supportive Individual and Group Counseling
- Physician-directed Medical Care
- Treatment Medication
- Coordination with Community Resource and Service Professionals for other necessary treatment services.

Treatment Services include:

- Physical and Psychosocial Assessments
- Laboratory Screening

- Drug Screening
- HEP C and HIV Screening
- TB Screening
- Coordination of Care with Prescribing Physicians
- Substance Abuse Counseling
- Referral Services for Mental Health, Medical, Vocational and Educational Needs

Treatment Services are designed to:

- Support patient health and recovery
- Reduce symptoms and manage triggers
- Promote personal growth and healthy life choices
- Enhance quality of life and improve/restore functioning
- Promote positive relationships with family, friends and community

The Applicant's *Policy & Procedures* describe the structure and processes of how treatment services are delivered:

- Screening and Access to Treatment Services
- Treatment Planning
- Medication Management
- Termination of Treatment Services

Crossroads' Mission, Values and Commitments are defined as follows:

Mission: We exist to help opioid dependent patients get their lives back.

Values: Crossroads focuses on 4 core values. The Crossroads experience is designed to instill a sense of:

Hope

Pride

Stability

Progress

Commitments: Crossroads is committed to helping patients adopt these 4 core values by making 4 specific commitments to each patient:

Hope:

We will help you see yourself as the person you can be.

Pride:

We will provide non-judgmental guidance to assist you in your

recovery.

Stability:

We will deliver a professional and consistent treatment environment.

Progress:

We will partner with you to reach your treatment goals.

Crossroads' Facilities offer:

- A clean and well-maintained environment.
- An accessible location.
- Private offices for counseling.
- Security of patient records and confidentiality.
- An area sensitive to the needs of children of our patients.

Crossroads' friendly trained Staff is:

- Committed to a "Service First" philosophy.
- Qualified to provide knowledgeable support for treatment services.

- Consistent in communicating regularly with patients regarding treatment planning and services.
- Compliant with Federal and State standards for professional certification and licensing.

The proposed program hours are Monday – Friday from 5:00 am -1:00 pm, and Saturday and Sunday from 6:00 am -8:00 am. Based on its projected census and experience operating twelve other locations, the Applicant is highly confident that this operating schedule will provide effective patient care. Consideration of expanded operating hours will be based on patient needs as the proposed project expands.

Proposed Operations Schedule:

Monday - Friday

5:00 am - 10 am Dosing, Counseling, Admissions, Assessments and

Physicals

10:00 am – 1:00 pm Counseling and Administration

Saturday and Sunday

6:00 am - 8:00 am Dosing only

Proposed Staff Schedule

Tuesday & Friday

6:00 am - 8:00 am Physicians see Patients

Monday - Friday

5:00 am - 11:00 am Nurses Dose Patients, Secure & Track Medication

Inventory

Saturday and Sunday

6:00 am - 9:00 am Nurses Dose Patients, Secure & Track Medication

Inventory

Monday – Friday

5:00 am – 11:00 pm Counselors Coordinate Treatment Services

Each patient will receive an orientation session provided by the Applicant, as outlined in the Rules of TDMHSAS, to ensure that he or she is aware of the program's goals and all of the services Crossroads provides. Each patient will also receive an individualized program plan consistent with his or her medical and social needs. In order to ensure each patient has access to all of the resources he or she needs, the Applicant will ensure that a continuum of services are available to address each patient's unique situation, including his or her medical, employment, educational, financial, legal and housing needs, as addressed in TDMHSAS Rules.

Patient lengths of stay vary depending on the particular patient and their response to treatment. The National Institutes of Health states "12 months of treatment is the minimum and some opioid dependent individuals will continue to benefit from methadone maintenance treatment over a period of years." ¹⁴

A recent review by the Applicant of its collective patient data demonstrated an average treatment duration of 14 months. In addition to the comprehensive addiction, medical and counseling treatment offerings and programs discussed above, Crossroads will also aid its patients in locating the proper resources for the following services:

- Support Groups
- Clothing Assistance
- Financial Assistance
- Employment Assistance
- Food Programs / Pantries
- Housing
- Health Care (Primary Care)
- Mental Health (Emergency)
- Developmental Delays / Disabilities
- Crisis Lines
- Education
- Counseling / Family Services

In addition to the treatment itself, Crossroads has certain procedure sit uses to follow-up with patients.

- A. Upon initiating treatment the Applicant's patients either consent or do not consent to allow for follow up communication after cessation of treatment. For the consenting patients the Applicant utilizes their preferred (consented) method of communication to follow up with them and obtain information on their status and offer help as needed.
- B. For patients that are actively engaged in treatment and miss a day of required attendance the Applicant executes one of a number of actions. These actions range from a daily phone call to having a qualified individual visit their home for a wellness check.
- C. Many patients achieve an opioid free life but the Applicant's focus for its treatment programs goes beyond this criteria and focuses on comprehensive recovery which involves many aspects of life, including occupation, relationships, financial, mental health, and much more. If patients leave treatment before this type of comprehensive recovery is achieved then the Applicant follows up as referenced above.
- D. For patients who leave before treatment is completed, the applicant attempts to follow up with them and identify why they left the program. If for example, the reason for discontinuing treatment was financial, the Applicant would try to work something out. There is a balance between trying to follow up with patients and unwanted communications.

¹⁴ http://www.cdc.gov/idu/facts/MethadoneFin.pdf

Crossroads regularly evaluates its program structure and treatment services through surveys, self-assessments, evolving field-recognized research and external audits. Findings from these sources are utilized to prepare performance analysis and improvement plans to optimize the Program's structure and services and to ensure patients continue to receive the best possible outcomes. The Applicant will meet or exceed all minimum program requirements for Non-Residential Substitution Based Treatment Centers for Opioid Addiction, as put forth in the Rules of TDMHSAS.

While most medications can be diverted and many can be abused, when methadone or buprenorphine is utilized in the context of a MAT, safe guards against diversion and abuse are put in place. Other treatment environments do not have the same stringent controls that are present in MAT programs. These numerous safe guards are not only followed by licensed MAT programs but are mandated by and the MAT programs are inspected by, federal and state agencies including but not limited to SAMHSA, DEA, State Board of Pharmacies, State Licensing Agencies, Credentialing Agencies, and others, in order to ensure compliance.

For more specific information on the safe guards against abuse and diversion of buprenorphine and methadone specifically in MAT programs, please see <u>Attachment C-Need-1(a)</u>. Please note that the existing buprenorphine providers in the service area are not MAT programs and not subject to these stringent requirements.

Need-

The need for non-residential narcotic treatment facilities should be based on information prepared by the Applicant for a certificate of need which acknowledges the importance of considering the demand for services along with need and addressing and analyzing service problems as well.

The assessment should cover the proposed service area and include the utilization of existing service providers, scope of services provided, patient origin, and patient mix.

The assessment should consider that the users of opiate drugs are the clients at non-residential narcotic treatment facilities, and because of the illegal nature of opiate drug use, data will be based on estimates, actual counts, arrests for drug use, and hospital admittance for drug abuse.

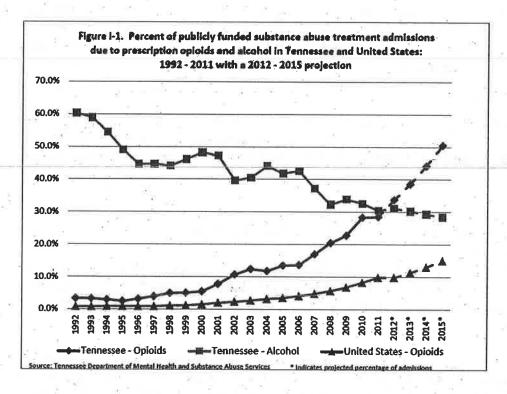
Response: "The abuse of prescription drugs, specifically opioids, is an epidemic in Tennessee (emphasis added), with disastrous and severe consequences to Tennesseans of every age." Of the 4,850,000 adults in Tennessee, it is estimated that 221,000 (or 4.56%) have used pain relievers, also known as prescription opioids, in the past year for non-medical purposes. Of those adults, it is estimated that 69,100 are addicted to prescription opioids and require treatment for prescription opioid abuse. The other 151,900 are using prescription opioids in ways that could be harmful and may benefit from early intervention strategies. The remaining 4,629,000 adults in the population would benefit from broad-based prevention strategies that target the entire population."

¹⁵ Tennessee Department of Mental Health and Substance Abuse Services. 2014. *Prescription for Success: Statewide Strategies to Prevent and Treat the Prescription Drug Abuse Epidemic in Tennessee* at page 4. Available at: http://tn.gov/mental/prescriptionforsuccess/Prescription%20For%20Success.pdf.

Similarly, in 2012, the CDC reported 259 million prescriptions for powerful painkillers were written nationally. Tennessee was ranked as the second highest prescribing state for narcotic painkillers. To put this in perspective, nearly 22 times as many prescriptions per capita were written for opioids in Tennessee as were written in Minnesota. 18

In addition, heroin use has skyrocketed in Tennessee. Statistics from 2013 show the number of heroin users has doubled compared to figures recorded between 2002 and 2008. During this time period, the State increased its efforts to reduce the abuse of prescription pain medications. As access to prescription medication became both more expensive and limited, persons struggling with addiction turned to heroin use.

Opioid abuse has become so pervasive in Tennessee that, in 2012, opioids overtook alcohol as the "primary substance of abuse" for persons in treatment through the TDMHSAS. The graph below from <u>Prescription for Success: Statewide Strategies to Prevent and Treat the Prescription Drug Abuse Epidemic in Tennessee 20 illustrates this dramatic shift and the need for State prevention and treatment efforts to address the urgent needs of this growing segment of the population.</u>



On page 38 of the report, the following statement is provided by the Department on the treatment of opioid substance abuse:

"The Department of Mental Health and Substance Abuse Services uses the American Society of Addiction Medicine (ASAM) Patient Placement Criteria, an evidence-based assessment tool, to determine exactly which level of services an individual requires, at the beginning of their services and

¹⁷ http://www.cbsnews.com/news/the-states-with-the-worst-prescription-painkiller-problem/

http://www.knoxnews.com/news/heroin-deaths-double-after-painkiller-crackdown.

²⁰ Tennessee Department of Mental Health and Substance Abuse Services. 2014. Prescription for Success: Statewide Strategies to Prevent and Treat the Prescription Drug Abuse Epidemic in Tennessee at page 10.

periodically throughout so that they will be given the most appropriate levels of care."

ASAM is very clear on the use and effectiveness of Methadone Maintenance Treatment. As stated previously, MMT is MAT that is limited to the use of methadone for treatment. In one of the most comprehensive surveys of the effectiveness of MMT²¹, ASAM's research conclusions include:

- "Because of MMT's relative efficacy, efforts should be made to increase access to MMT for all individuals who struggle with opioid use disorders. Directors of state mental health and substance abuse agencies and community health organizations should look for methods to increase access to MMT, and purchasers of health care services should cover appropriately monitored MMT."
- 2. "Detoxification followed by abstinence has shown little success in reducing illicit opioid use."
- 3. "Evidence (of MMT treatment) suggests positive impacts on drug-related HIV risk behaviors, mortality, and criminality."
- 4. "MMT in pregnancy was associated with improved maternal and fetal outcomes."

Because the Department uses the ASAM Patient Placement Criteria for opioid dependence and ASAM advocates for increased access for all individuals to improve health, mortality and criminality, the applicant feels sure the Department would support the Applicant's desire to provide MMT access to this region which currently has no access to MMT.

This medical treatment decision is made by the treating physician with input from the patient care team on an individualized patient basis based on many factors. The goal is to stabilize and equip each patient with the skills and resources to remain opiate free after leaving Crossroads. The factors considered include a patient's physical, psychological, and financial condition. The National Institutes of Health states "12 months of treatment is the minimum and some opioid dependent individuals will continue to benefit from methadone maintenance treatment over a period of years."

A recent review of the Applicant's collective patient data demonstrated an average treatment duration of 14 months.

The criteria the Applicant uses to measure patient success is their entry into and maintenance of full recovery. Full recovery is defined by varied aspects, as mentioned in a previous response, including but not limited to addressing mental health issues, financial issues, occupational issues, medical issues, learning recovery / relapse prevention skills, creating a healthy support network, and cessation of illicit drug use. Cessation of illicit opioid use occurs rapidly and initially upon admission into methadone treatment. Once a patient has entered full recovery they are often able to tolerate a

²¹ Medication-Assisted Treatment With Methadone: Assessing the Evidence, Catherine Anne Fullerton, M.D., M.P.H., Meelee Kim, M.A., Cindy Parks Thomas, Ph.D., D. Russell Lyman, Ph.D., Leslie B. Montejano, M.A., C.C.R.P., Richard H. Dougherty, Ph.D., Allen S. Daniels, Ed.D., Sushmita Shoma Ghose, Ph.D., Miriam E. Delphin-Rittmon, Ph.D.

tapering of their treatment medication such that they exit treatment entirely. It has been the Applicant's experience that the majority of patients are able to be weaned off of the treatment medication over time once they have achieved full recovery.

The Applicant's mission is to increase access to MAT to those so desperately in need. The Director of The White House Office of National Drug Control, Michael Botticelli said it best: "access to medication-assisted treatment can mean the difference between life and death." ²²

The assessment should also include:

1. A description of the geographic area to be served by the program;

Response: The Applicant has conducted an assessment of service area demographics, geographical features and other data in order to determine an appropriate service area.

The proposed service area for the Crossroads facility in Johnson City is comprised of the eight most northeastern counties in Tennessee consisting of Carter, Greene, Hancock, Hawkins, Johnson, Sullivan, Unicoi County, and Washington Counties.

2. Population of area to be served;

Response: As shown in the chart below, the service area's total population is just under 600,000 residents and expected to grow by 13,910 residents between 2015 and 2019. The current adult population (age 20+) is estimated at 452,389 in 2015 and is expected to grow to 470,448 in 2019, an increase of 18,059 persons.

Service Area Population Total

	2015 Population	2019 Population	2015-2019- Growth	Percent Growth
Carter	57,359	57,828	469	0.8%
Greene	70,580	71,989	1,409	2.0%
Hamblen	64,438	65,952	1,514	2.3%
Hawkins	57,741	58,241	500	0.9%
Johnson	18,094	18,175	81	0.4%
Sullivan	159,494	161,707	2,213	1.4%
Unicoi	18,419	18,558	139	0.8%
Washington	132,599	140,184	7,585	5.7%
Service Area	578,724	592,634	13,910	2.4%
Tennessee	6,649,438	6,894,997	245,559	3.7%

Source: Tennessee Department of Health Population Projections, Tennessee Counties and the State 2010-2020 (2013 update).

²² Confronting an Epidemic: The Case for Eliminating Barriers to Medication-Assisted Treatment of Heroin and Opioid Addiction, http://lac.org/wp-content/uploads/2014/07/LAC-The-Case-for-Eliminating-Barriers-to-Medication-Assisted-Treatment.pdf

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Service Area Population Age 20 and Older

	2015 Population	2019 Population	2015-2019- Growth	Percent Growth
Carter	44,854	45,305	451	1.0%
Greene	54,469	55,714	1,245	2.3%
Hamblen	48,194	49,696	1,502	3.1%
Hawkins	45,451	47,788	2,337	5.1%
Johnson	14,541	14,624	83	0.6%
Sullivan	127,377	134,395	7,018	5.5%
Unicoi	14,395	14,640	245	1.7%
Washington	103,108	108,286	5,178	5.0%
Service Area	452,389	470,448	18,059	4.0%
Tennessee	4,965,696	5,181,190	215,494	4.3%

Source: Tennessee Department of Health Population Projections, Tennessee Counties and the State 2010-2020 (2013 update).

3. The estimated number of persons, in the described area, addicted to heroin or other opioid drugs and an explanation of the basis of the estimate;

Response: The Applicant estimates that there are between 8,800 and 21,500 adults in the service area who are addicted to opioids (heroin and prescription pain pills). This estimate is derived using the following methods:²³

- 2. SAMHSA reports that nationally adult heroin use was 0.1% in 2013 and non-medical prescription pain medication use was 1.7% for adults. Combined, this would yield 8.809 opioid abusers or opioid dependents from the proposed service area.²⁴
- 3. Tennessee's Department of Mental Health and Substance Abuse Services report, "Prescription Drug Abuse In Tennessee" by the Safety Subcabinet Working Group, reported that almost 250,000 Tennesseans older than 12 reported abusing prescription opioids in 2009. This number was based on the National Survey of Drug Use and Health, which estimates 212,000 adults 18 and over in Tennessee (4.4%) misused prescription opioids in 2013. Applied to the service area adult population, this means there are approximately 21,500 opioid abusers or opioid dependents from the proposed service area.

4. The estimated number of persons, in the described area, addicted to heroin or other opioid drugs presently under treatment in OTP and other treatment programs;

Response: The Applicant attempted to get Registry Data of OTP (previously called NRMTF) enrollment by county from TDMHSAS, but the Department has changed its policy and does not now release this data publicly. However, the most recent Registry Data, released in 2008, (Attachment C, Need, 1a), showed that 8,889 Tennessee-domiciled patients were enrolled in Tennessee opiate treatment programs (not including Tennessee residents in out-of-state programs) while the State's total population was 6,156,719, producing a rate of 144.4 patients per 100,000 residents. Applying this rate to the total population in the Applicant's proposed

²³ Applicant attempted to get Registry Data of NRMTF enrollment by county from TDMHSAS, but the Department does not release this data publically. This is a policy change from prior NRMTF CONs where the data was provided http://store.samhsa.gov/shin/content//NSDUH14-0904/NSDUH14-0904.pdf

service area, means more than 700 patients are estimated to need treatment in 2014. Further, this estimate is likely low because of a) the epidemic growth of opiate abuse since 2008, and b) the number of residents going to out-of-state programs.

5. Projected rate of intake and factors controlling intake;

Response: The Applicant projects that the rate of intake will be approximately 50 patients per month. The factors controlling intake will include the mix of transfer patients versus new patients (new patients require more time to admit), the number of staffing hours the Applicant can secure from its medical doctors and the rate at which new patients will learn of our clinic.

6. Compare estimated need to existing capacity.

Also, consideration should be given to the reality that existing facilities can expand or reduce their capacity to maintain or treat patients without large changes in overhead.

Response: Currently there is not a single OTP in the service area. With an estimated need for OTP services in the proposed service area ranging from 8,800 to 21,500 persons, there is a clear need for this Project. The Applicant expects that the overwhelming percentage of patients who will use the proposed facility will live in the proposed service area.

Service Area

The geographic service area should be reasonable and based on an optimal balance between population density and service proximity.

Response: The proposed service area is the Johnson City-Kingsport-Bristol Combined Statistical Area (CSA). The chart below provides an overview of the population in all Metropolitan Statistical Areas (MSAs) and Micropolitan Statistical Areas in which there is a Tennessee OTP, as well as the population in the Johnson City-Kingsport-Bristol CSA. The service area CSA has a larger population than the populations where five existing providers provide services. The service area population far exceeds the population base needed to support an OTP, as shown in the table below. As such, it is a reasonable service area in terms of its ability to sustain an OTP provider.

Statistical Area	2014 population estimate	Number of Tennessee OTPs serving Statistical Area		
Nashville-Davidson-Murfreesboro-Franklin, TN Metropolitan Statistical Area	1,792,649	2		
Memphis, TN-MS-AR Metropolitan Statistical Area	1,343,230	3		
Knoxville, TN Metropolitan Statistical Area	857,585	2		
Chattanooga, TN-GA Metropolitan Statistical Area	544,559	1 d d d		
Johnson City-Kingsport-Bristol, TN-VA Combined Statistical Area	509,170	0		
Jackson, TN Metropolitan Statistical Area	130,225	<u> </u>		
Dyersburg, TN Micropolitan Statistical Area	37,935	1		
Paris, TN Micropolitan Statistical Area	32,204	1		
Hardin County, TN (not part of a Metropolitan or Micropolitan Statistical Area)	26,037*	v _{ss} = 21		
Maury County, TN (not part of a Metropolitan or Micropolitan Statistical Area)	83,772*	1. 2.		

*Data is for 2013.

Source: United States Census Bureau Population Estimates 2014 and Tennessee Department of Health, Division of Policy, Planning and Assessment, 2013 Census

Currently, the closest Tennessee OTP to the service area is located in Knoxville, with a driving distance of over 100 miles, or a drive time of approximately 1 hour and 40 minutes one-way, from the cities of Johnson City, Bristol and Kingsport in the proposed service area.

The closest out of state OTP is another Crossroads' facility, located in Weaverville, North Carolina with a driving distance of 53 miles, or an approximately 56 minute one-way drive for Johnson City residents. The following table provides driving distances and times for methadone services from larger cities in the proposed service area to the proposed clinic in Johnson City, and the nearest existing clinics located in Knoxville and Weaverville, North Carolina.

ОТР	Johnson City, TN	Kingsport, TN	Bristol, TN
Proposed Crossroads location	0 minutes	28 minutes	36 minutes
	0 miles	23 miles	25 miles
Crossroads of Weaverville, North Carolina	56 minutes	76 minutes	85 minutes
	53 miles	74 miles	76 miles
Knoxville, TN (2 OTP locations)	98 minutes	91 minutes	103 minutes
	107 miles	99 miles	113 miles

Source: Google maps

Approving the proposed Project will greatly reduce the distance patients must travel to receive OTP services, the time required to complete such daily travel, and the costs associated with gas and maintenance on a vehicle for such travel. Service area residents will finally have OTP services within a reasonable driving distance from their homes.

State and federal regulations require new patients to make these long commutes six to seven days per week for up to three months. For the next three months of treatment, patients must make this commute a minimum of 5 days per week, then 4 days per week for the next three months, then 1 day per week thereafter. In other words, for the first year in treatment, patients residing in the service area must travel to get treatment over 200 days per year and travel in excess of 20,000 miles, at a financial cost of thousands of dollars for gas and vehicle maintenance alone. Approving this project would significantly increase patients' ability to access needed treatment while improving their ability to maintain a steady job and to enter "financial recovery."

For residents of the service area that are seeking to break the cycle of addiction, this is especially difficult if they work in the morning, are parents of young children, have unreliable transportation or struggle with their finances. The benefits of MAT depend on geographic accessibility. Extensive travel interferes with employment and family responsibilities. The patients from Northeast Tennessee who travel significant distances to the nearest OTP face a tremendous hardship to maintain treatment. Of the barriers to treatment, geographic distance is at the top of the list, even higher than access to healthcare insurance. Approving this project will significantly increase access by area residents to the benefits of MAT and OTP treatment, and the likelihood of success of the treatment.

The relationship of the socio-demographics of the service area and the projected population to receive services should be considered. The proposal's sensitivity and responsiveness to the special needs of the service area should be considered including accessibility to consumers, particularly women, racial and ethnic minorities, and low-income groups.

Response: Crossroads will work closely with women, racial and ethnic minorities, and low-income groups. Crossroads will aid its patients in locating the proper resources for the following services:

- Support Groups
- Clothing
- Financial Assistance
- Employment Assistance
- Food Programs / Pantries
- Housing / Shelter
- Health Care (Primary Care)
- Mental Health (Emergency)
- Individuals with Developmental Delays / Disabilities
- Crisis Lines
- Education
- Counseling / Family Services

Crossroads offers free treatment (charity care) for all female patients who become pregnant and cannot afford treatment services. Crossroads Management Entities also offer reduced cost or free care to some patients who demonstrate continuous program compliance but who are unable to pay for treatment services.

Although 114 buprenorphine providers are available in the service area, their services are more expensive, as the Applicant discusses in detail in response to Question C-Economic Feasibility-11. The addition of Crossroads to the service area will provide service area residents with a less costly alternative for treatment, thus increasing access for those who currently cannot afford care.

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In addition to daily charges that are in line with the industry average, and abdventberi25;t2015ent B.I., Crossroads Management Entities offer treatment to all patients for a rate 2:11 panday for the first thirty days of treatment, giving them a period of time to obtain stable employment and enter "financial recovery" and ultimately be in position to continue their treatment in the future.

Relationship to Existing Applicable Plans

The proposals' estimate of the number of patients to be treated, anticipated revenue from the proposed project, and the program funding source with description of the organizational structure of the program delineating the person(s) responsible for the program, should be considered.

Response: The proposed project is financially feasible in both the short and long terms. The Management Company will receive funding for its startup costs from a revolving line of credit agreement with Ally Bank. Once operational, the project is expected to begin generating a profit in the second year of operations. As shown in the Revised Projected Data Chart, the project is expected to generate (\$540,245) in net income over the first 12 months of operation, and \$329,123 in the second year of operations. Crossroads expects to serve 100 patients in the first month and be actively providing treatment services to 697 patients by the twelfth month of operations.

Total revenue for the project is calculated each month by multiplying the number of patients by the cost of 30 days of treatment services.

- The revenue formula has a built-in no-show factor, as the Applicant can only reasonably expect that approximately 84% of all scheduled patients will present to receive all of their dosage and treatment in a given month.
- The revenue formula also accounts for only half of all new patients in each month, as all patients will not start treatment at the beginning of the month, and some will begin treatment at the very end of the month. For example, if 100 new patients are expected to begin treatment in a given month, only 50 of those new patients will be accounted for in the revenue formula.

The cost of methadone is subtracted from the total revenue to arrive at gross profits for each month.

The proposed project is estimated to incur a total of \$2,158,414 in operating expenses over the first twelve months of operations. Payroll expenses constitute the majority of the operating expenses, at a total of \$961,255 for the first twelve months of operations. A detailed listing of the operating expenses can be found in the Projected Data Chart in response to Question C-Economic Feasibility-4. The proposed project will generate positive net income in the second year of operations. As shown in the Revised Projected Data Chart, the project is expected to generate (\$540,245) in net income over the first 12 months of operation, and \$329,123 in the second year of operations. Any shortfall is expected to be met through the use of the revolving line of credit.

Crossroads Management Entities have managed the non-clinical operations of OTPs for 12 years. Currently, Crossroads Management Entities manage existing centers in twelve locations, including the Weaverville and Asheville, North Carolina centers. If Crossroads is approved, Crossroads Management Entities will provide non-clinical operational support to Crossroads under a management services agreement. By utilizing the centralized resources and existing infrastructure of Crossroads Management Entities, Crossroads is able to realize economies of scale in recruiting, training, billing and other administrative functions. In addition, quality measures already in place at the existing facilities managed by Crossroads Management Entities will be seamlessly integrated into the proposed Crossroads OTP.

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The Applicant will provide for personnel and staffing in accordance with Tennessee regulations, including a designated program director, a medical director, physician services, an on-site prescriber of services, nursing care, a registered nurse to supervise the nursing staff, and counselors available to provide individual and group counseling.

Accordingly, the program director will be responsible for the operation of the facility, for overall compliance with federal, state and local laws and regulations regarding the operation of opioid treatment programs, and for all facility employees including practitioners, agents, or other persons providing services at the facility. The medical director will be responsible for the administration of all medical services, including compliance with all federal, state and local laws and regulations regarding the medical treatment of opioid addiction. The director of nursing will oversee the dosing nurse and any assistants. Counselors will work under the direction of a lead counselor. Administrative issues, such as lease management, billing, recruiting and training will be handled by the parent company of the management company.

The proposals' relationship to policy as formulated in local and national plans, including need methodologies, should be considered.

Response: The Applicant is not aware of a formal need methodology, either locally or nationally. Discussions with CON and TDMHSAS program staff have revealed that there are not any utilization data available that would demonstrate what utilization rates, patient origin, or market shares are at existing providers. As such, the Applicant has relied on internal utilization data from its history of prescribing at its other 12 OTP facilities.

The proposals' relationship to underserved geographic areas and underserved population groups, as identified in local plans and other documents, should be a significant consideration.

Response: The Applicant is not aware of any local plans that explicitly identify underserved geographic areas. Currently, there are no providers of equivalent services in the proposed service area. As this application demonstrates, the next closest treatment center is 53 miles away, which equates to approximately 56 minutes of driving time from the proposed facility. Patients residing in the most populated portions of the service area are 120 minutes away from services. As such, service area residents do not have reasonable access to the services the Applicant proposes to offer, and the proposed service area could be considered a geographically underserved area.

The impact of the proposal on similar services supported by state appropriations should be assessed and considered.

Response: There are no OTPs in the proposed service area, or anywhere in Tennessee, that are supported by state appropriations. As discussed in Section B.II.C, the projected statewide growth in demand for these services will ensure that no existing providers are adversely impacted by this project. Furthermore, this project will draw the overwhelming majority of its patients from the primary service area. There is currently no data available from the state that would allow the Applicant to determine what existing providers service patients in the service area. However, as discussed earlier, the next closest facility is 53 miles away from the proposed project's site, in North Carolina. As such, the Applicant believes it is reasonable to

assume that existing providers in Tennessee are not drawing a large proportion of their patients from service area residents.

Moreover, the Applicant anticipates that 75% of its patients in the first year will be drawn from patients previously seen at Crossroad's OTPs in North Carolina. The remainder are expected to be drawn from the patients that are not currently in treatment or who travel to programs outside the region such as Knoxville, Tennessee; Boone, North Carolina; or Cedar Bluff, Virginia.

The Applicant has no means of identifying the impact this project would have on residential opioid treatment programs that might be supported by state appropriations. However, these inpatient programs are significantly more expensive than the Applicant's proposed outpatient treatment services, and are not an equivalent substitute for non-residential substitution-based treatment programs.

The degree of projected financial participation in the Medicare and TennCare programs should be considered.

Response: The proposed project will not seek certification by Medicare because Medicare patients rarely seek OTP services. TennCare has a methadone benefit for enrollees younger than 21, and this facility will not serve patients younger than 18. The only eligible TennCare patients would be patients 18 – 20 years of age. Very few patients in this age range seek treatment. It is the Applicant's understanding that only four TennCare eligible persons in the 18 – 21 age range received methadone treatment in 2014 in the entire state of Tennessee. Thus, the project will not financially burden TennCare.

Crossroads Management Entities currently operate two OTPs in North Carolina that serve patients from Tennessee. Crossroads of Weaverville and Crossroads of Asheville currently treat over 1,100 patients at these facilities and only six patients are between the ages of 18 and 21 and none of these patients reside in Tennessee.

The process to become a TennCare provider and contract with MCOs involves a number of operational issues that place financial and administrative burdens on a provider. Because of the very limited number of eligible patients, the Applicant would spend more time negotiating contracts than treating patients. If a TennCare MCO sends Crossroads a qualified TennCare patient approved to receive methadone MAT. Crossroads will provide treatment services to the patient free of charge as a charity care patient. Until Crossroads begins operations in the Tri-Cities area, it is not possible to determine the number of patients who will receive charity care under this provision. However, as mentioned, it is the Applicant's understanding that only four TennCare-eligible patients were enrolled in OTPs in 2014. As such, the Applicant does not expect it to be a large number. No Medicaid/TennCare patients have presented for treatment at the Applicant's North Carolina facilities. Therefore, the Applicant does not feel it is necessary to seek any out-of-network relationships. If the situation changes, the Applicant will reevaluate at Crossroads will be piloting Medicaid in early 2016 in locations where the state provides coverage to qualified adults for these services. Crossroads will start in North Carolina and Georgia. South Carolina, like Tennessee, does not cover MAT services for adults under its Medicaid program, so Crossroads will not be implementing it in South Carolina.

 Applications that include a Change of Site for a health care institution, provide a response to General Criterion and Standards (4)(a-c). Response: Not applicable.

STATE HEALTH PLAN

Tennessee Code Annotated Section 68-11-1625 requires the Tennessee Department of Health's Division of Health Planning to develop and annually update the State Health Plan (found at http://www.tn.gov/finance/healthplanning/). The State Health Plan guides the state in the development of health care programs and policies and in the allocation of health care resources in the state, including the Certificate of Need program. The 5 Principles for Achieving Better Health form the State Health Plan's framework and inform the Certificate of Need program and its standards and criteria.

Please discuss how the proposed project will relate to the <u>5 Principles for Achieving Better</u> <u>Health</u> found in the State Health Plan. Each Principle is listed below with example questions to help the Applicant in its thinking. INSERT HERE

1. The purpose of the State Health Plan is to improve the health of Tennesseans.

Response: Tennesseans who are in MMT are in much better health than those trapped in opioid addiction. According to the CDC:

"It is estimated that at least 980,000 people in the United States are currently addicted to heroin and other opiates (such as oxycontin, dilaudid, and hydrocodone). They risk premature death and often suffer from HIV, hepatitis B or C, sexually transmitted disease (STDs), liver disease from alcohol abuse, and other physical and mental health problems. It is estimated that 5,000-10,000 IDUs die of drug over- doses every year. Many are involved with the criminal justice system."

Further, according to the CDC:

"Methadone Maintenance Treatment Is the Most Effective Treatment for Opiate Addiction" ²⁵

2. Every citizen should have reasonable access to health care.

Response: The proposed service area has no access to MMT. Approving this CON will provide access to a much needed health care resource for service area residents.

3. The State's health care resources should be developed to address the needs of Tennesseans while encouraging competitive markets, economic efficiencies, and the continued development of the State's health care system.

Response: Today, patients drive hundreds of unnecessary miles to many programs in at least three different states to get the treatment they and their doctors deem best. The proposed program would be significantly more efficient

²⁵ http://www.cdc.gov/idu/facts/MethadoneFin.pdf

and bring local access to many who need, desire, and deserve this form of treatment.

4. Every citizen should have confidence that the quality of health care is continually monitored and standards are adhered to by health care providers.

Response: MMT in the United States is one of the most regulated healthcare delivery systems in the world to ensure safety and patient quality of care. It is highly regulated at the State and Federal level.

Conversely, at the 114 buprenorphine providers that currently exist in the proposed service area, the Tennessee Department of Mental Health and Substance Abuse Services has this to say:

"The Department of Mental Health and Substance Abuse Services recognizes that there is a place for buprenorphine (i.e. suboxone, subutex, etc.), an additional medication used in the treatment of prescription drug disorders, in the continuum of treatment modalities. However, the Department is concerned about the oversight and/ or regulations governing buprenorphine. The Department has noted problems with the efficacy in outcomes for buprenorphine treatment and the lack of a person centered treatment plan that includes other essential treatment strategies including clinical therapy."

Crossroads regularly evaluates its program structure and treatment services through surveys, self-assessments, evolving field-recognized research and external audits. Findings from these sources are utilized to prepare performance analysis and improvement plans to optimize the Program's structure and services and to ensure patients continue to receive the best possible outcomes. The Applicant will meet or exceed all minimum program requirements for Non-Residential Substitution Based Treatment Centers for Opioid Addiction, as put forth in the Rules of TDMHSAS.

5. The state should support the development, recruitment, and retention of a sufficient and quality health care workforce.

Response: Approving this CON would provide the first of this type of MMT quality health care workforce in the proposed service area. The proposed program would hire and train Tennessee nurses, counselors and doctors from the local community.

2. Describe the relationship of this project to the Applicant facility's long-range development plans, if any.

Response: The Applicant's long-term plan is to evolve, maintain and practice a highly effective model of integrated treatment for those suffering physically, mentally, emotionally and spiritually from drug abuse and dependency. This project will enable the Applicant to provide a better treatment experience to patients in this region, as this treatment is currently unavailable.

3. Identify the proposed service area <u>and</u> justify the reasonableness of that proposed area. Submit a county level map including the State of Tennessee clearly marked to reflect the

service area. Please submit the map on 8 1/2" x 11" sheet of white paper marked only with ink detectable by a standard photocopier (i.e., no highlighters, pencils, etc.).

Response: Please see <u>Attachment C, Need 3</u> for a map of the service area. The proposed service area for the Crossroads facility in Johnson City is comprised of the eight most northeastern counties in Tennessee: Carter, Greene, Hancock, Hawkins, Johnson, Sullivan, Unicoi County, and Washington Counties.

The proposed service area offers significantly improved access to patients trying to break the cycle of addiction. Currently, the closest Tennessee OTP to the service area is located in Knoxville, with a driving distance of over 100 miles, or an approximately 1 hour and 40 minute one-way drive time from the cities of Johnson City, Bristol and Kingsport in the proposed service area. As the chart below shows, the distance patients need to travel to receive OTP services will be greatly reduced by approving the Applicant's proposed project. Service area residents will finally have OTP services within a reasonable driving distance from their homes.

The closest out of state OTP is located in Weaverville, North Carolina with a driving distance of 53 miles, or an approximately 56 minute one-way drive for Johnson City residents. The following table provides driving distances and times for methadone services from larger cities in the proposed service area to the proposed clinic in Johnson City, and the nearest existing clinics located in Knoxville and Weaverville, North Carolina.

OTP	Johnson City, TN	Kingsport, TN	Bristol, TN	
Proposed Crossroads	0 minutes	28 minutes	36 minutes	
location	0 miles	23 miles	25 miles	
Crossroads of Weaverville,	56 minutes	76 minutes	85 minutes	
North Carolina	53 miles	74 miles	76 miles	
Knoxville, TN (2 OTP locations)	98 minutes	91 minutes	103 minutes	
	107 miles	99 miles	113 miles	

Source: Google Maps

The table below shows the distance from the proposed location to:

Program	Round-trip Distance (miles) from proposed site
Crossroads, Weaverville, NC	97
Stepping Stone, Boone, NC	115
McLeod Center, Boone, NC	118
Crossroads, Asheville, NC	140
Western TC, Asheville, NC	144
Clinch Valley TC, Cedar Bluff, VA	177
DRD clinics (2), Knoxville, TN	208
Life Center, Galax, VA	278

The proposed service area is in the Johnson City-Kingsport-Bristol Combined Statistical Area (CSA). The chart below provides an overview of the population in all Metropolitan Statistical Areas (MSAs) and Micropolitan Statistical Areas in which there is a Tennessee OTP, as well as the population in the Johnson City-Kingsport-Bristol CSA. The service area CSA has a larger population than the populations where five of the existing providers provide services. The service area population far exceeds the population base needed to support an OTP, as shown in the table below. As such, it is a reasonable service area in terms of its ability to sustain an OTP provider.

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Statistical Area	2014 population estimate	Number of Tennessee OTPs serving Statistical Area		
Nashville-Davidson-Murfreesboro- Franklin, TN Metropolitan Statistical Area	1,792,649	2		
Memphis, TN-MS-AR Metropolitan Statistical Area	1,343,230	3		
Knoxville, TN Metropolitan Statistical Area	857,585	2		
Chattanooga, TN-GA Metropolitan Statistical Area	544,559	* 1 * 1 * 1 * 1 * 1 * 1 * 1 * 1 * 1 * 1		
Johnson City-Kingsport-Bristol, TN-VA Combined Statistical Area	509,170	0		
Jackson, TN Metropolitan Statistical Area	130,225	1 1		
Dyersburg, TN Micropolitan Statistical Area	37,935	1		
Paris, TN Micropolitan Statistical Area	32,204	1		
Hardin County, TN (not part of a Metropolitan or Micropolitan Statistical Area)	26,037*	# # # 1 #		
Maury County, TN (not part of a Metropolitan or Micropolitan Statistical Area)	83,772*	* 1		

^{*} Data is for 2013.

Source: United States Census Bureau Population Estimates 2014 and Tennessee Department of Health, Division of Policy, Planning and Assessment, 2013 Census

4. A. Describe the demographics of the population to be served by this proposal.

Response: As shown in the chart below, the service area's total population is over 600,000 residents and expected to grow by 13,910 residents between 2015 and 2019. The current adult population (age 20+) was 452,389 in 2015 and is expected to grow to 470,448 by 2019, or an increase of 18,059 persons.

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Service Area Population
Total

	2015 Population	2019 Population	2015-2019- Growth	Percent Growth
Carter	57,359	57,828	469	0.8%
Greene	70,580	71,989	1,409	2.0%
Hamblen	64,438	65,952	1,514	2.3%
Hawkins	57,741	58,241	500	0.9%
Johnson	18,094	18,175	- 81	0.4%
Sullivan	159,494	161,707	2,213	1.4%
Unicoi	18,419	18,558	139	0.8%
Washington	132,599	140,184	7,585	5.7%
Service Area	578,724	592,634	13,910	2.4%
Tennessee	6,649,438	6,894,997	245,559	3.7%

Source: Tennessee Department of Health Population Projections, Tennessee Counties and the State 2010-2020 (2013 update).

Service Area Population Twenty and Older

	2015 Population	2019 Population	2015-2019- Growth	Percent Growth
Carter	44,854	45,305	451	1.0%
Greene	54,469	55,714	1,245	2.3%
Hamblen	48,194	49,696	1,502	3.1%
Hawkins	45,451	47,788	2,337	5.1%
Johnson	14,541	14,624	83	0.6%
Sullivan	127,377	134,395	7,018	5.5%
Unicoi	14,395	14,640	245	1.7%
Washington	103,108	108,286	5,178	5.0%
Service Area	452,389	470,448	18,059	4.0%
Tennessee	4,965,696	5,181,190	215,494	4.3%

Source: Tennessee Department of Health Population Projections, Tennessee Counties and the State 2010-2020 (2013 update).

Additional information on the demographics of the proposed service area is included below.

Variable	Carter	Greene	Hamblen	Hawkins	Johnson	Sullivan	Unicoi	Washing ton	Svc Area	Tenness ee
Current Year (CY), Age 65+	11,279	14,144	11,522	11,739	3,748	34,287	4,029	22,369	113,117	782,937
Projected Year (PY), Age 65+	12,208	15,120	12,198	13,425	4,014	38,477	4,318	17,707	117,467	1,134,56 5
Age 65+, % Change	8.2%	6.9%	5.9%	14.4%	7.1%	12.2%	7.2%	-20.8%	3.8%	44.9%
Age 65+, % Total (PY)	21.1%	21.0%	18.5%	23.1%	22.1%	23.8%	23.3%	12.6%	19.8%	16.5%
CY, Total Population	57,359	70,580	64,438	57,741	18,094	159,494	18,419	132,599	578,724	6,649,43 8
PY, Total Population	57,828	71,989	65,952	58,241	18,175	161,707	18,558	140,184	592,634	6,894,99 7
Total Pop. % Change	0.8%	2.0%	2.3%	0.9%	0.4%	1.4%	0.8%	5.7%	2.4%	3.7%
TennCare Enrollees	12,298	14,126	14,502	12,701	4,233	30,453	3,817	21,634	113,764	1,324,20 8
TennCare Enrollees as a % of	8	ii ii	- 12 - 12 - 13	A N	* *.	GH = 5.	9	in.	* 2 *	8
Total Population	21.4%	20.0%	22.5%	22.0%	23.4%	19.1%	20.7%	16.3%	19.7%	19.9%
Median Age	42.8	43.2	39.3	42.7	43.7	44	44.9	39.6	42.525	38.2
Median Household Income	\$31,842	\$35,545	\$ 39,596	\$37,357	\$29,609	\$39,479	\$32,292	\$ 42,075	\$35,974	\$ 44,298
Population % Below Poverty Level	22.0%	22.0%	19.2%	16.2%	26.4%	18.3%	21.7%	18.3%	20.6%	17.6%

Sources: Population from Tennessee Department of Health. Population Projections, Tennessee Counties and the State 2010-2020 (2013 update)

Median Age and Household Income from the American Community Survey 5 year estimates, 2009-2013.

Percent persons below poverty line and median household income are for 2009-2013, as reported by the U.S. Census in its Quick Facts data

Please note the percent below poverty line, median income and median age for the service area is an average for the individual counties

TennCare Enrollees from TennCare Midmonth Report for November 2014.

B. Describe the special needs of the service area population, including health disparities, the accessibility to consumers, particularly the elderly, women, racial and ethnic minorities, and low-income groups. Document how the business plans

of the facility will take into consideration the special needs of the service area population.

Response: Traveling 100 miles round-trip for doctor-prescribed treatment is difficult for any population, but it is especially difficult for low-income patients, pregnant women, and patients with small children. As discussed in detail in response to question C.3, the closest OTP in Tennessee is currently located in Knoxville, which is 99 miles away from Johnson City residents, and 113 miles away from Bristol residents so the commute is generally over 200 miles round trip. Making such a long commute twice a day is a great burden on patients, and is one that can be removed by approving the Applicant's proposed project. This program will ease the burden on all people trying to break free of addiction, but especially low-income patients, pregnant women, and patients with small children.

Crossroads will work closely with women, racial and ethnic minorities, and low-income groups. Crossroads will aid its patients in locating the proper resources for the following services:

- Support Groups
- Clothing
- Financial Assistance
- Employment Assistance
- Food Programs / Pantries
- Housing / Shelter
- Health Care (Primary Care)
- Mental Health (Emergency)
- Individuals with Developmental Delays / Disabilities
- Crisis Lines
- Education
- Counseling / Family Services

Female patients who become pregnant and cannot afford treatment services will receive free treatment as charity care patients. Crossroads will also offer reduced cost or free care to some patients that demonstrate continuous program compliance but who are unable to pay for treatment services. The number of charity care patients seen at Crossroads Management Entities OTPs varies by location. Until Crossroads begins operations in the Tri-Cities area, it is not possible to determine the number of patients who will receive charity care or services at a reduced cost.

Describe the existing or certified services, including approved but unimplemented CONs, of similar institutions in the service area. Include utilization and/or occupancy trends for each of the most recent three years of data available for this type of project. Be certain to list each institution and its utilization and/or occupancy individually. Inpatient bed projects must include the following data: admissions or discharges, patient days, and occupancy. Other projects should use the most appropriate measures, e.g., cases, procedures, visits, admissions, etc.

Response: There are no OTPs in the proposed service area, and the Applicant is unaware of any active or unimplemented CONs for such services. The Applicant attempted to get Registry Data of OTP (previously referred to as NRMTF) enrollment by county from TDMHSAS, but the Department does not release this data publically.

As such, there is no available data to provide information on admissions or discharges at existing facilities for the last three years. The most recent release of Registry Data was for CY 2008 and is included in Attachment C, Need, 1a.

6. Provide applicable utilization and/or occupancy statistics for your institution for each of the past three (3) years and the projected annual utilization for each of the two (2) years following completion of the project. Additionally, provide the details regarding the methodology used to project utilization. The methodology <u>must include</u> detailed calculations or documentation from referral sources, and identification of all assumptions.

Response: This application is for a new OTP in Johnson City. As such, there is no historical utilization data available.

Crossroads expects to serve 100 patients in the first month and be actively providing treatment services to 697 patients by the twelfth month of operations. By the second year of operation, the Applicant expects it will provide services to 1,108 patients. Crossroads projects that a larger number of new patients will seek services during the first two months of operations. Many of these will be patients that are currently seeking treatment at existing OTPs further away from their homes. Crossroads will continue to treat these patients, and will also provide services to new patients each month. Many OTP patients are self-referrals. Patients may also come from inpatient or outpatient drug rehabilitation programs, primary physicians, hospitals, counselors, self-help programs, addiction support groups, and the criminal justice system.

The Applicant estimates that there are between 8,800 and 21,500 adults in the service area who are addicted to opioids (heroin and prescription pain pills). These numbers are based on reports from SAMHSA and the Tennessee Department of Mental Health Substance Abuse Service Report. The Applicant also attempted to get Registry Data of OTP (previously called NRMTF) enrollment by county from TDMHSAS, but the Department does not release this data publically. This is a policy change from prior CONs where the data was provided. However, the most recent release of Registry Data was for CY 2008 (Attachment C, Need, 1a), which showed that 8,889 Tennessee-domiciled patients were enrolled in Tennessee opiate treatment programs (not including Tennessee residents in out-of-state programs) and the State's population was 6,156,719, or a rate of 144.4 patients per 100,000 residents. Applying this rate to Applicant's proposed service area, means 707 patients are estimated to need treatment in 2014, which is likely a low estimate because of a) the epidemic growth of opiate abuse since 2008, and b) the number of residents going to out-ofstate programs. In addition, between 2008 and 2019, the adult population in the service area is projected to increase from 420,846 adults to 470,448 adults, or an increase of 11.8 percent.

The Applicant anticipates that it will take approximately two months for the 300 Tennessee patients who are currently utilizing its treatment centers in North Carolina to be fully transferred to the Crossroads facility in Johnson City. It then projected that the number of patients would grow 50 a month for the remaining 10 months of the first year and approximately 40 patients a month for the second year, so that the number of patients at the end of the first year is 697 and 1,108 at the end of the second year.

These patients are anticipated to come from the service area residents who currently do not receive treatment now, those residents who choose not to travel the distances that are necessary to receive methadone treatment, and/or those residents who are currently receiving treatment at other facilities but who will choose to switch to Crossroads because it is a much closer alternative, which will provide the benefits of treatment along with the convenience of not having to travel significant distances. Comparing this to the estimates of the number of affected patients above, and considering that there are currently no methadone treatment centers in the service area, shows that this is a reasonable methodology to project utilization.

ECONOMIC FEASIBILITY

- 1. Provide the cost of the project by completing the Project Costs Chart on the following page. Justify the cost of the project.
 - All projects should have a project cost of at least \$3,000 on Line F. (Minimum CON Filing Fee). CON filing fee should be calculated from Line D. (See Application Instructions for Filing Fee)
 - The cost of any lease (building, land, and/or equipment) should be based on fair market value or the total amount of the lease payments over the initial term of the lease, whichever is greater. Note: This applies to all equipment leases including by procedure or "per click" arrangements. The methodology used to determine the total lease cost for a "per click" arrangement must include, at a minimum, the projected procedures, the "per click" rate and the term of the lease.
 - The cost for fixed and moveable equipment includes, but is not necessarily limited to, maintenance agreements covering the expected useful life of the equipment; federal, state, and local taxes and other government assessments; and installation charges, excluding capital expenditures for physical plant renovation or in-wall shielding, which should be included under construction costs or incorporated in a facility lease.
 - For projects that include new construction, modification, and/or renovation, documentation must be provided from a contractor and/or architect that support the estimated construction costs.

Response: Please see <u>Attachment C-Economic Feasibility-1</u> for a copy of a letter from the architect that supports the estimated costs for the construction costs.

The building will meet all applicable local, state and federal requirements for the proposed location's use as a nonresidential substitution-based treatment center for opiate addiction. The architect's estimate includes the Land Purchase of \$295,000 as well as the Building and Architect fees of \$1,154,600 for a total of \$1,449,600. The Applicant is currently working to ensure that its proposed location will meet local zoning ordinances.

PROJECT COSTS CHART

Α.	Construction and equipment acquired by purchase:	To the of the second of the se
0	Architectural and Engineering Fees	\$46,400
	 Legal, Administrative (Excluding CON Filing Fee), Consultant Fees 	\$80,000
	3. Acquisition of Site	\$295,000
	4. Preparation of Site	\$268,200
	5. Construction Costs	\$840,000
	6. Contingency Fund	\$166,060
s ²	7. Fixed Equipment (Not included in Construction Contract)	
	8. Moveable Equipment (List all equipment over \$50,000)	\$20,000
	9. Other (Specify)	\$111,000
B.	Acquisition by gift, donation, or lease:	
	Facility (inclusive of building and land)	
Î	2. Building only	extension as a
eee	3. Land only	
X	4. Equipment (Specify)	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
	5. Other (Specify)	# * * a
C.	Financing Costs and Fees:	age to the second secon
	1. Interim Financing	A SILES
15	2. Underwriting Costs	7 a g
V	3. Reserve for One Year's Debt Service	
	4. Other (Specify)	165 U 2 2 1
D.	Estimated Project Cost (A+B+C)	\$1,826,660
E	CON Filing Fee	\$4,110
F,	Total Estimated Project Cost (D+E) TOTAL	\$1,830,770

2. Identify the funding sources for this project. Please check the applicable item(s) below and briefly summarize how the project will be financed. (Documentation for the type of funding MUST be inserted at the end of the application, in the correct alpha/numeric order and identified as Attachment C. Economic Feasibility-2.) A. Commercial loan--Letter from lending institution or guarantor stating favorable initial contact, proposed loan amount, expected interest rates, anticipated term of the loan, and any restrictions or conditions: B. Tax-exempt bonds--Copy of preliminary resolution or a letter from the issuing authority stating favorable initial contact and a conditional agreement from an underwriter or investment banker to proceed with the issuance: C. General obligation bonds—Copy of resolution from issuing authority or minutes from the appropriate meeting. D. Grants--Notification of intent form for grant application or notice of grant award; or Cash Reserves--Appropriate documentation from Chief Financial Officer. X F. Other—Identify and document funding from all other sources.

3. Discuss and document the reasonableness of the proposed project costs. If applicable, compare the cost per square foot of construction to similar projects recently approved by the Health Services and Development Agency.

See Attachment C, Economic Feasibility-2 for a letter and materials

Response: The total project costs for this project are \$1,826,660. This includes all capital costs, labor costs, professional fees, site acquisition, construction costs, and a contingency fee. The Applicant believes these costs are reasonable. Given that the costs for the proposed project are less than Recovery of Columbia's, despite the six years that have passed, the Applicant believes the proposed project costs are very reasonable.

The most recently approved CON for a similar project was Recovery of Columbia in Maury County, the application for which was filed in 2009. According to Recovery of Columbia's CON application, its total project costs were \$776,251. Previous projects were all proposed over 6 years ago, so while their costs were likely reasonable at the time of application, the costs do not provide a useful comparison to what a project would reasonably cost in 2015. According to Paris Professional's CON application for an OTP in Henry County, the construction costs for the project were approximately \$10.50 per square foot. Additional information on project costs was not immediately available from Paris Professional's application, so the Applicant is unable to make a comparison on total project costs. Mid-South MMT's CON application for a facility in Dyer County projected a total project cost of \$108,400, and required no construction. Previously approved OTPs

Response:

documenting the funding.

appear to have projected costs between \$31,850 (Solutions of Savannah), to \$530,100 (Memphis Center for Research and Addiction).

4. Complete Historical and Projected Data Charts on the following two pages--<u>Do not modify the Charts provided or submit Chart substitutions!</u> Historical Data Chart represents revenue and expense information for the last three (3) years for which complete data is available for the institution. Projected Data Chart requests information for the two (2) years following the completion of this proposal. Projected Data Chart should reflect revenue and expense projections for the *Proposal Only* (i.e., if the application is for additional beds, include anticipated revenue from the proposed beds only, not from all beds in the facility).

Response: Please see the charts on the following pages. This is an application for a new project. Therefore, there is no historical data to report on the Historical Data Chart.

5. Please identify the project's average gross charge, average deduction from operating revenue, and average net charge.

Response: The Applicant will charge \$14/daily dose of medication provided. Patients will receive one dose every day except for Saturday, when they will receive two dosesone of which will be taken home for use on Sunday. There are no other sources of revenue. There are no envisioned deductions from operating revenue and as a result our average net charge will be \$14/dose. The \$14/dose the patients pay will cover more than just their methadone dosage. The charge will also cover the patient intake, laboratory work, physician assessment and counseling. More detail on what the fees include is included in the chart in response to question 11, below.

HISTORICAL DATA CHART Not applicable. Give information for the last *three (3)* years for which complete data are available for the facility or agency. The fiscal year begins in _____ (Month).

		ity of agency. The fiscal year begins in	wortur).		1 1
	9.		Year	Year	Year
	A.	Utilization Data (Specify unit of measure)			11.
	B.	Revenue from Services to Patients			
		Inpatient Services	\$	\$	\$
		2. Outpatient Services			
		3. Emergency Services			
v.		Other Operating Revenue (Specify)	10 1	ATT TO	
		Gross Operating Revenue	\$	\$	× \$
	C.	Deductions from Gross Operating Revenue	W		N 8 8
		1. Contractual Adjustments	\$	\$	\$
		2. Provision for Charity Care	-	#	
-		3. Provisions for Bad Debt	· P		ne i
		Total Deductions	\$	\$	\$
15	NET	OPERATING REVENUE	\$	\$	\$
I	D.	Operating Expenses	57- x 40.5	- 5	, v .
		1. Salaries and Wages	\$	\$	· , \$
		2. Physician's Salaries and Wages		30	-
		3. Supplies			-
		4. Taxes			
		5. Depreciation		9	
		6. Rent	:	V 1	(
	60	7. Interest, other than Capital		9at	1
		8. Management Fees:	*	5 8	
	8	a. Fees to Affiliates		- N	
2		b. Fees to Non-Affiliates	S	32 8	(1)
		9. Other Expenses – Specify on separate page 12			
		Total Operating Expenses	\$	\$	\$
E	Ξ.	Other Revenue (Expenses) - Net	\$	\$	\$
	*	(Specify)	9	, £5.	10 7
1	NET	OPERATING INCOME (LOSS)	\$	\$	\$
F	Ξ.	Capital Expenditures	e de la companya de l	9 9	3
		Retirement of Principal	\$	\$	\$
		2. Interest			
	18	Total Capital Expenditures	\$	\$	\$
		OPERATING INCOME (LOSS)	× : :		90
L	.ES	S CAPITAL EXPENDITURES	\$	\$	\$

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HISTORICAL DATA CHART

Give information for the last three (3) years for which complete data are available for the facility or agency. The fiscal year begins in January (Month).

i i i i i i i i i i i i i i i i i i i	Asheville Year 2014	Weaverville Year 2014
A. Utilization Data (Specify unit of measure)-Patients	657	495
B. Revenue from Services to Patients	037	270 290 291
Inpatient Services		
2. Outpatient Services	\$2,482,122	\$1,931,172
3. Emergency Services	ΨΖ,ΨΟΖ, 1ΖΖ	Ψ1,001,112
	8: 3 2	- Carrier
4. Other Operating Revenue (Specify)		
Gross Operating Revenue	\$2,482,122	\$1,931,172
C. Deductions from Gross Operating Revenue	· ·	
1. Contractual Adjustments	\$	\$
2. Provision for Charity Care	•	
3. Provisions for Bad Debt	4	
Total Deductions	\$	\$
NET OPERATING REVENUE	\$2,482,122	\$1,931,172
D. Operating Expenses	8.8	gran and an analysis of
1. Salaries and Wages	\$787,555	\$584,835
2. Physician's Salaries and Wages	\$194,769	\$76,481
3. Supplies	\$200,879	\$150,738
4. Taxes	\$221,000	\$125,000
5. Depreciation	\$20,595	\$60,134
6. Rent	\$112,757	\$31,600
7. Interest, other than Capital	(
8. Management Fees:*		5 12 V
a. Fees to Affiliates	-	· · · · ·
b. Fees to Non-Affillates	*	
9. Other Expenses – Specify on separate page 12	\$291,050	\$236,498
Total Operating Expenses	\$1,607,826	\$1,095,411
E. Other Revenue (Expenses) – Net (Specify)	\$	\$
NET OPERATING INCOME (LOSS)	\$874,296	\$835,761
F. Capital Expenditures	i j	5, e v
1. Retirement of Principal	\$	\$
2. Interest	5	2
Total Capital Expenditures	\$	\$
NET OPERATING INCOME (LOSS)	\$874,296	\$835,761
LESS CAPITAL EXPENDITURES	1 de la constantia del constantia del constantia del constantia del constantia del constant	27. Examined

^{*}There are no management fee expenses as the management fee expense in the PC is offset by the management fee revenue for the LLC.

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HISTORICAL DATA CHART-OTHER EXPENSES

0	THER EXPENSES CATEGORIES	Asheville Year 2014	Weaverville Year 2014	
1.	Utilities	\$40,394	\$34,842	
2.	Licenses	\$35,400	\$32,650	
3.	Insurance	\$36,902	\$33,850	
4.	Lab Fees	\$39,604	\$36,961	
5.	Travel	\$18,098	\$15,283	
6.	Banking Fees	\$40,855	\$32,117	
7.	Marketing	\$14,195	\$9,655	
8.	Computer/Software Fees	\$27,435	\$9,875	
9.	Security	\$38,167	\$31,265	
3	Total Other Expenses	\$ <u>291,050</u>	\$236,498	

SUPPLEMENTAL #2

REVISED PROJECTED DATA CHART

November 25, 2015

Give information for the two (2) years following the completion of this property begins in January (Month).

				Year 2016	Year 2017
A.	Util	ization Data (Census)		697	1,108
B.	Re	venue from Services to Patier	nts		5 7 1
	1.	Inpatient Services		\$	\$
	2.	Outpatient Services		\$ <u>1,668,215</u>	\$ <u>3,826,645</u>
	3.	Emergency Services		-	
	4.	Other Operating (Specify)	g Revenue	1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	
		Gros	ss Operating Revenue	\$ <u>1,668,215</u>	\$ <u>3,826,645</u>
C.	De	ductions from Gross Operatin	g Revenue		
	1.	Contractual Adjustments		\$	\$
	2.	Provision for Charity Care	2 18	\$ <u>50,046</u>	\$ <u>114,800</u>
	3.	Provisions for Bad Debt	W.		
		** *.	Total Deductions	\$50,046	\$ <u>114,800</u>
NÉ	ΓOF	ERATING REVENUE		\$ <u>1,618,169</u>	\$ <u>3,711,845</u>
D.	Ор	erating Expenses	NO 7 H		(E)
	1.	Salaries and Wages	74	\$884,474	\$ <u>1,768,447</u>
	2.	Physician's Salaries and Wa	ages	\$ <u>76,781</u>	\$ <u>136,500</u>
9	3.	Supplies	9	\$81,487	\$146,777
	4.	Taxes		\$159,406	\$ <u>310,397</u>
ž.	5.	Depreciation	<u></u>	\$30,000	\$30,000
	6.	Rent		\$ <u>128,457</u>	\$ <u>132,311</u>
	7 .	Interest, other than Capital		\$33,024	\$33,024
	8.	Management Fees:*	N .		
		a. Fees to Affiliates			-
		b. Fees to Non-Affiliates		\$600,000	\$600,000
	9.	Other Expenses-Utilities, Lice Travel, Banking Fees, Marketing Security	nses, Insurance, Lab Fees, , Computer/Software Fees,	\$ <u>164,785</u>	\$ <u>225,266</u>
		Tota	l Operating Expenses	\$ <u>2,158,414</u>	\$ <u>3,382,722</u>
E.	Oth	er Revenue (Expenses)- Net	(Specify)	\$	\$
NE.	ΓOF	ERATING INCOME (LOSS)		\$ <u>-540,245</u>	\$ <u>329,123</u>
F.	Car	oital Expenditures			
	1.	Retirement of Principal	, H	\$	\$
	2.	Interest	8		
		Total	Capital Expenditures	\$ <u>-0-</u>	\$
		ERATING INCOME (LOSS) APITAL EXPENDITURES	Revised Page -44-	\$ <u>-540,245</u>	\$ <u>329,123</u>
			Novisca i ago		

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PROJECTED DATA CHART-OTHER EXPENSES

OT	OTHER EXPENSES CATEGORIES		Year 2017	
1,	Utilities	\$17,000	\$17,300	
2.	Licenses	\$20,000	\$10,500	
3.	Insurance	\$18,024	\$19,826	
4.	Lab Fees	\$19,550	\$61,950	
5.	Travel	\$10,225	\$9,000	
6.	Banking Fees	\$23,082	\$50,686	
7.	Marketing	\$8,020	\$7,020	
8.	Computer/Software Fees	\$15,500	\$15,600	
9.	Security	\$33,384	\$33,384	
	Total Other Expenses	\$ <u>164,785</u>	\$225,266	

6. A. Please provide the current and proposed charge schedules for the proposal. Discuss any adjustment to current charges that will result from the implementation of the proposal. Additionally, describe the anticipated revenue from the proposed project and the impact on existing patient charges.

Response: As this is not an existing facility, there are currently no charges for revenues from existing charges. The full fee schedule for methadone maintenance treatment can be found in Attachment C-Economic Feasibility-6. The intake fee will be waived for all new and transfer patients. Patients will be charged \$14.00 for their methadone dosage on a daily basis. Other services, which may be needed by some patients (pregnancy test, use of a lockbox, lab fees) incur additional fees, which can be found on the Fee Sheet in Attachment C-Economic Feasibility-6 at the back of this application. In addition to daily charges that are in line with the industry average, Crossroads Management Entities offer treatment to all patients for a rate of \$1 per day for the first thirty days of treatment, giving patients a period of time to obtain viable employment and enter "financial recovery" in order to ultimately be in a position to continue their treatment in the future.

The costs associated with methadone MAT are much less than narcotics purchased on the street by these same persons prior to their enrollment. The proposed services are projected to cost \$14.00 per day after the initial intake period. As shown in the Projected Data Chart above, revenues from services to patients are expected to be \$1,668,215 in the first year of operations. The proposed project is a new OTP program located in an area with no existing providers. Therefore, there will be no impact on existing patient charges in the service area.

B. Compare the proposed charges to those of similar facilities in the service area/adjoining service areas, or to proposed charges of projects recently approved by the Health Services and Development Agency. If applicable, compare the proposed charges of the project to the current Medicare allowable fee schedule by common procedure terminology (CPT) code(s).

Response: There are no existing OTP providers in the service area. The closest Tennessee OTP providers to the service area are in Knoxville. The current fees for the proposed program as well as those at several existing facilities, including those in Knoxville are shown below for comparison. The chart below calculates Crossroads' weekly fee by multiplying the daily fee by seven. The facility is open for dosing 7 days a week. The proposed fees for Crossroads for the initial month are lower than those at existing OTPs in Knoxville and other areas of the state. For subsequent weeks, the fees are lower than two of the other three facilities, and are only slightly higher than those at Recovery of Columbia. These proposed fees are the same as what is charged at the Weaverville and Asheville facilities. As such, the Applicant believes these fees are reasonable for an OTP in the Tri-Cities area, and will allow our services to be financially accessible to service area patients.

November 25, 2015

	Intake Fee	Daily Fee	Weekly Fee	First W2et's Cost	rfiubsequent Weeks' Cost
Crossroads	waived	\$14.00		\$98.00	\$98.00
DRD Knoxville Medical Clinic (both locations)	\$60		\$116	\$176	\$116
Recovery of Columbia	\$30		\$94.50	\$125	\$94.50
Middle Tennessee Treatment Center	\$30		\$111	\$141	\$111

Source: Phone Conversation with BHG Recovery Staff on April 10, 2015.

7. Discuss how projected utilization rates will be sufficient to maintain cost-effectiveness.

Response: Crossroads expects to serve 100 patients in the first month and be actively providing treatment services to 697 patients by the twelfth month of operations. The full patient census model is included below, and accounts for patients transitioning to other modes of care starting in the sixth month of operations. Crossroads projects that a larger number of new patients will seek services during the first two months of operations. Many of these may be patients that are currently seeking treatment at existing facilities further away from their homes. Crossroads will continue to treat these patients, and will also provide services to new patients each month.

Furthermore, Crossroads Management Entities manage existing centers in eleven locations, including the Weaverville and Asheville, North Carolina centers. If the Applicant is approved for this project, Crossroads Management Entities will provide non-clinical operational support to Crossroads under a management services agreement. By utilizing the centralized resources and existing infrastructure of Crossroads Management Entities, Crossroads is able to realize economies of scale in recruiting, training, billing and other administrative functions.

8. Discuss how financial viability will be ensured within two years; and demonstrate the availability of sufficient cash flow until financial viability is achieved.

Response: The proposed project is financially feasible in both the short and long terms. The Management Company anticipates receiving funding for its startup costs from a revolving line of credit agreement with Ally Bank. Once operational, the project is expected to begin generating a profit in the second year of operations. The Applicant estimates that 300 patients will transfer from Crossroads Management Entities' OTP locations in other states to the proposed project in Johnson City within the first three months. The Applicant bases these estimates on a near identical program opening in Danville, Virginia.

The proposed project will generate positive net income in the second year of operations. As shown in the Revised Projected Data Chart, the project is expected to generate (\$540,245) in net income over the first 12 months of operation, and a net income of \$329,123 in the second year of operations. Any shortfall is expected to be met through the use of the revolving line of credit.

9. Discuss the project's participation in state and federal revenue programs including a description of the extent to which Medicare, TennCare/Medicaid, and medically indigent patients will be served by the project. In addition, report the estimated dollar amount of revenue and percentage of total project revenue anticipated from each of TennCare, Medicare, or other state and federal sources for the proposal's first year of operation.

Response: The proposed project will not seek certification by Medicare because Medicare patients rarely seek this type of service. TennCare has a methadone benefit for enrollees younger than 21, and this facility will not serve patients younger than 18. The only eligible TennCare patients would be patients 18 – 20 years of age. Very few patients in this age range seek treatment. It is the Applicant's understanding that only four TennCare eligible persons in the 18 – 20 age range received methadone treatment in 2014 in the entire state of Tennessee. As such, the Applicant does not expect to receive any revenues from TennCare, Medicare or other state or federal sources.

The Applicant currently operates two OTPs in North Carolina that serve patients from Tennessee. Crossroads of Weaverville and Crossroads of Asheville currently treat over 1,100 patients at these facilities and only six patients are between the ages of 18 and 21 and none of these patients reside in Tennessee. TennCare provides payment for the drug buprenorphine for treatment of opiate addiction.

However, the Applicant's business focuses on MMT for the treatment of opiate addiction. If an opioid-dependent, TennCare-eligible patient and his or her doctor felt that buprenorphine was the best treatment, that patient would be best-served to attend a buprenorphine-licensed program that participates in TennCare. Treatment options currently exist in the proposed service area for buprenorphine. There are 114 providers of buprenorphine treatment in the Applicant's proposed service area. If the patient and his or her doctor felt that MMT was the best treatment option, these services are not currently available in the Applicant's proposed service area, so there would be no choice. As previously stated, there were only 4 patients in the entire state who received methadone treatment services through TennCare.

Crossroads will be piloting Medicaid in early 2016 in locations where the state provides coverage to qualified adults for our services. Crossroads will start in North Carolina and Georgia. South Carolina, like Tennessee, does not cover MAT services for adults under its Medicaid program, so Crossroads will not be implementing it in South Carolina.

As an organization, if quality buprenorphine treatment is not readily available in a market in which Crossroads facilities operate, Crossroads will sometimes offer both types of treatment to ensure that patients have an option. In the Johnson City area, given that there are already 114 providers of buprenorphine treatment, it is not necessary for the Applicant to offer buprenorphine treatment.

In Johnson City, Magnolia Ridge is a 19-bed alcohol and drug Detoxification and Residential treatment center specializing in addiction and related problems including co-occurring mental illness diagnosis and lifestyle issues for adults 18 and older.

While methadone and buprenorphine medications are both FDA approved for the treatment of opioid dependence the medical treatment decision is made by the treating physician on an individualized patient basis based on many factors. The Applicant does not have specific numbers as to what treatment choices are made.

The Applicant firmly believes, based on medical information, that the most effective type of treatment for the most number of people is methadone and it seeks to provide access to this treatment, which is not currently available in the service area. It was said very well by

retired U.S. Army General and former Director of the Office of National Drug Control Policy, Barry McCaffrey, in his recent letter to Congress in support of the Comprehensive Addiction and Recovery Act, "By expanding access to addiction treatment, especially the use of MMT, policymakers can make a difference in the lives and well-being of all Americans. That is something we can all agree on." ²⁶

10. Provide copies of the balance sheet and income statement from the most recent reporting period of the institution and the most recent audited financial statements with accompanying notes, if applicable. For new projects, provide financial information for the corporation, partnership, or principal parties involved with the project. Copies must be inserted at the end of the application, in the correct alpha-numeric order and labeled as Attachment C, Economic Feasibility-10.

Response: Please see Consolidated Financial Statement included as <u>Attachment C-Economic Feasibility-Item 10(24)</u>.

- 11. Describe all alternatives to this project which were considered and discuss the advantages and disadvantages of each alternative including but not limited to:
 - a. A discussion regarding the availability of less costly, more effective, and/or more efficient alternative methods of providing the benefits intended by the proposal. If development of such alternatives is not practicable, the Applicant should justify why not; including reasons as to why they were rejected.

Response: The only alternative is to maintain the status quo. Maintaining status quo was considered and rejected as the proposed service area currently lacks an OTP. As explained in Attachment B.I., the cost of untreated persons significantly outweighs the cost of treatment, as measured by crime, broken families, loss or diminishment of employment, related health costs, and fatalities.

Buprenorphine is available in the service area with 114 providers. However, a methadone treatment program is a necessary alternative and the Applicant believes a superior treatment than buprenorphine. Persons seeking treatment for opioid addiction often find buprenorphine treatment to be cost prohibitive and each provider is only allowed to treat a very limited number of patients. The proposed Crossroads OTP will offer a less costly and highly effective treatment alternative to treatment currently available in the Tri-Cities area. The table below shows a comparison of cost estimates and service for 30 days of treatment at an OTP and with a physician prescribing buprenorphine:

 $^{^{26}\} http://the hill.com/blogs/congress blog/health care/234504 bill would fund drug addiction fight$

71

30-Day Treatment Cost: OTP vs. Buprenorphine in a Physician's Office

Service	Cost - OTP	Costs – buprenorphine in a physician's office		
Monthly fee estimate	\$390-420	\$300-\$450 ²⁷		
Medicine	Included onsite, same price regardless of dosage.	\$204-\$3,015 ²⁸ depending mostly on dosage and generic versus branded. Must be purchased at outside pharmacy, assuming they carry stock.		
Counseling	Required and included, offered every weekday on an individual and/or group basis.	Not required. Often referred to outside counseling at \$100-200 per month.		
Testing	Required and included.	Not required. If offered, often billed separately.		
Additional patient services such as assistance for housing, employment, food banks, probation/court coordination, etc.	Included from certified counselors.	Not required, frequently not offered.		
Total	\$390-\$420	\$604 - \$3,665		

In addition, private physicians rarely offer on-site counseling in conjunction with buprenorphine treatment. This type of treatment is often termed "dose and dash" because of the lack of behavioral counseling, drug testing, diversion monitoring and individual treatment planning. It is also important to note that MAT utilizing methadone is the safest form of treatment for pregnant women.²⁹

b. The applicant should document that consideration has been given to alternatives to new construction, e.g., modernization or sharing arrangements. It should be documented that superior alternatives have been implemented to the maximum extent practicable.

Response: The proposed project was not possible without new construction. In choosing this site, Crossroads has balanced cost control with providing patients quality care and a healing environment, as well as ensuring ready highway access to all points within the service area.

CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE

1. List all existing health care providers (e.g., hospitals, nursing homes, home care organizations, etc.), managed care organizations, alliances, and/or networks with which the Applicant currently has or plans to have contractual and/or working relationships, e.g., transfer agreements, contractual agreements for health services.

Response: The Applicant intends to have transfer relationships with all emergency hospitals in the Tri-Cities and surrounding area, including the Johnson City Medical

²⁹ Addiction Treatment Forum. Research Study Results: Methadone Best for Babies Born with Drug Withdrawal.

²⁷ Based on a 4/13/15 survey of three Johnson City-based physicians licensed to provide buprenorphine treatment.

²⁸ Based on 4/13/15 survey of three pharmacies in Johnson City, 1-3 tablets per day. 2 of 3 pharmacies did not have inventory and the remaining pharmacy would only sell "if you are a regular customer".

Center and Wellmont Health System, Holston Valley Medical Center and Indian Path Medical Center, Bristol Regional Medical Center, Union County Memorial in Erwin; Laughlin Memorial in Greeneville and Hawkins County Memorial in Rogersville.

2. Describe the positive and/or negative effects of the proposal on the health care system. Please be sure to discuss any instances of duplication or competition arising from your proposal including a description of the effect the proposal will have on the utilization rates of existing providers in the service area of the project.

Response: The proposed service area does not currently have an OTP, so there is no duplication of services or adverse effect on competitive facilities within the service area. The most affected providers outside the proposed service area are the Applicant's existing facilities in Weaverville, North Carolina and Asheville, North Carolina, which are the two closest OTP facilities to the proposed location. Both of these programs have sufficient patients that do not live in the proposed service area and will not transfer, so they will remain financially viable, even if all the patients from Tennessee transfer to the Johnson City facility when built.

3. Provide the current and/or anticipated staffing pattern for all employees providing patient care for the project. This can be reported using FTEs for these positions. Additionally, please compare the clinical staff salaries in the proposal to prevailing wage patterns in the service area as published by the Tennessee Department of Labor & Workforce Development and/or other documented sources.

Response: The operations of the clinic will be overseen by the Program Director, whose oversight will encompass clinical matters, fiscal viability and physical plant issues. The Program Director oversees all staff and deals with any staffing issues that may arise. The Director of Nursing will oversee the dosing nurses and any assistants. The Director of Nursing will ensure clinical Administrative issues, such as billing, recruiting and training are handled appropriately. The table below shows the number of employees at each position, and their monthly compensation as it will be when the proposed project begins operations. As more patients begin receiving treatment, Crossroads will increase the hours and/or number of employees at many of these positions. The project's operating budget, discussed in more detail below, allows for increases in payroll expenses as the patient census increases, thereby ensuring that the appropriate staffing is available to provide quality care to all patients.

73 **Proposed Staffing for Beginning of Operations**

Number of Employees	Position	Employment Type	Salary/ Hourly Rate	Monthly Total
+ 1	PD	Salary	\$55,000	\$4,583
1 :	Clinical Director	Hourly	\$23	\$3,998
1	Admin	Hourly	\$12	\$2,086
1	Lead RN	Hourly	\$25	\$4,345
1	Dosing LPN	Hourly	\$18	\$3,129
2	Counselor	Hourly	\$17	\$5,910
1 .	Physician Asst.	Salary	\$30,368	\$2,531
1	MD	Salary	\$39,000	\$3,250
1 1 m	Security	Hourly	\$15	\$2,607
. 10	Total		a tell y te	\$32,439

The proposed project will staff highly qualified individuals who are properly trained, meet the required qualifications and have undergone an orientation on Crossroads' Policies & Procedures, as well as their assigned duties and reporting requirements. The responsibilities of each position are as follows.

- <u>Program Director</u>. This position is responsible for the operation of the Facility (including clinical matters, fiscal viability and physical plant issues), for overall compliance with federal, state and local laws and regulations regarding the operation of opioid treatment programs, and for all Facility employees including practitioners, agents, or other persons providing services at the Facility.
- Physician. This position is responsible for providing the medical treatment and oversight necessary to serve treatment recipient needs. Physician services include, but are not limited to, performing medical history and physical exams, determining a diagnosis under current DSM criteria, determination of opioid dependence, ordering take-home privileges, discussing cases with the treatment team and issuing any emergency orders. The physician for the proposed facility will be Dr. Paul Pyles, MD. Dr. Pyles is Board Certified in Adult Psychiatry by the American Board of Psychiatry & Neurology and Board Certified in Addiction Medicine by the American Board of Addiction Medicine. Dr. Pyles maintains active licensure in Ohio, Mississippi, Tennessee and Georgia. He has previously worked as a psychiatrist at residential treatment facilities providing treatment for adults with mental illness and addiction and as the Medical Director for the outpatient program providing treatment for adults with opioid dependence in Knoxville, DRD Methadone Clinic. A CV for Dr. Pyles can be found in Attachment C- Contribution to the Orderly Development of Health Care-3.
- <u>Director of Nursing</u>. This position is responsible for assisting in all areas of patient care, including physicals, necessary tests in compliance with state and federal laws and supervision of the nursing staff.

- Dosing Nurse. This position is responsible for assisting in all areas of patient care, and necessary tests in compliance with state and federal laws. The dosing nurse will also administer treatment medication, assist patients with the medical care required during their treatment as directed by Medical Director and assist in Pharmacy operations on an as needed basis. The dosing nurse must be able to discuss and/or counsel patients related to their medication regimen.
- <u>Counselor</u>. This position provides direct addiction treatment services to adult patients and family members. Counselor responsibilities include gathering data, documenting problems and developing and implementing the service recipient's plan of care in coordination with the medical staff.
- <u>Administrative Assistant</u>. This position involves providing excellent customer service, checking in patients, receiving payments, answering telephones, preparation of reports and data entry. This individual also assists the Program Director in programs, functions, services, and activities.

The clinical staff wages in the chart above are appropriate wages for the job responsibilities and the geographical area. According to the January 2015 Labor Market Report published by the Tennessee Department of Labor and Workforce Development, the average hourly earnings for Tennesseans working in the education and health services industries was \$21.73 in January of 2015, or \$38,983.88 per year. 30 The clinical director, lead RN, MD and Program Director all earn higher salaries than the statewide average for health services employees. The statewide statistics take larger metro areas which are typically home to individuals earning higher wages into account. The most recent Tennessee wage statistics at the county level are published in the 2013 Quarterly Census of Employment and Wages, which reports that the average annual wage in Washington County was \$36,721 a year or \$706 per week.31 The Program Director, Clinical Director, Lead RN, Dosing RN, and Senior Counselor are all budgeted to make more than the average wage in Washington County. Based on the Crossroads Management Entities' experience hiring and retaining highly-qualified staff at existing OTPs. the Applicant is confident that the budgeted wages will attract and compensate the staff needed for this project.

The Applicant will rely upon the centralized resources and existing infrastructure of Crossroads Management Entities for lease management, recruiting, training, billing and other administrative functions. In addition, quality assurance measures already in place at the existing facilities managed by Crossroads Management Entities will be implemented at the proposed Crossroads OTP.

4. Discuss the availability of and accessibility to human resources required by the proposal, including adequate professional staff, as per the Department of Health, the Department of Mental Health and Developmental Disabilities, and/or the Division of Mental Retardation Services licensing requirements.

Tennessee Department of Labor and Workforce Development Quarterly Census of Employment and Wages. Annual Average 2013. Total All Industries. Available at: http://www.state.tn.us/labor-wfd/lmi/pdf/QCEW2013.pdf

³⁰ Tennessee Department of Labor and Workforce Development. 2015. The Labor Market Report. January. Available at: http://www.state.tn.us/labor-wfd/lmr/pdf/2015/LMRJan2015.pdf

Response: The staffing requirements for the proposed program are enumerated by the TDMHSAS's Minimum Program Requirements for Non-Residential Opioid Treatment Program Facilities in the Tennessee regulations. Crossroads will comply with all staffing requirements, including verifying the qualifications of these staff members. Under these rules, the required staffing includes:³²

- Program Director: 1 FTE throughout the whole first year of operation.
- Clinical Director: 1 FTE throughout the whole first year of operation.
- Administrator: 1 FTE throughout the whole first year of operation.
- <u>Lead RN</u>: 1 FTE, initially. The applicant anticipates adding an additional FTE for each additional 450 patients.
- **Dosing LPN**: 1 FTE, initially. The applicant anticipates increasing the number of FTEs by approximately 1 additional FTE every 2 months.
- <u>Counselor</u>: The applicant anticipates beginning with 2 FTEs at this position. An additional counselor will be hired with every additional 50 patients.
- Physician (MD): This position will initially be less than 1 FTE, and will probably range between .1 FTE and .3 FTE at the beginning of operations. When the proposed project reaches 400 patients, the physician position will be 1 FTE.
- Physician Assistant: This position will initially be less than 1 FTE. There will be one FTE throughout the whole first year of operation
- Security: 1 FTE throughout the whole first year of operation.

As discussed in response to question 3 above, the Applicant has well-defined roles for each of these positions, and will ensure the positions are filled before operations begin.

5. Verify that the Applicant has reviewed and understands all licensing certification as required by the State of Tennessee for medical/clinical staff. These include, without limitation, regulations concerning physician supervision, credentialing, admission privileges, quality assurance policies and programs, utilization review policies and programs, record keeping, and staff education.

Response: The Applicant verifies that it has reviewed and understands all licensing requirements.

- 6. Discuss your health care institution's participation in the training of students in the areas of medicine, nursing, social work, etc. (e.g., internships, residencies, etc.).
- 7. (a) Please verify, as applicable, that the Applicant has reviewed and understands the licensure requirements of the Department of Health, the Department of Mental Health and Developmental Disabilities, the Division of Mental Retardation Services, and/or any applicable Medicare requirements.

Response: The Applicant so verifies.

(b) Provide the name of the entity from which the Applicant has received or will receive licensure, certification, and/or accreditation.

³² Rule 0940-05-42.29 provides for exemptions for filling some of these positions in certain circumstances.

Licensure: The Tennessee Department of Mental Health and Substance Abuse Services (TDMHSAS) and the U.S. Department of Justice, Drug Enforcement Agency

Accreditation: Commission on Accreditation of Rehabilitation Facilities (CARF International)

(c) If an existing institution, please describe the current standing with any licensing, certifying, or accrediting agency. Provide a copy of the current license of the facility.

Response: Not applicable.

(d) For existing licensed providers, document that all deficiencies (if any) cited in the last licensure certification and inspection have been addressed through an approved plan of correction. Please include a copy of the most recent licensure/certification inspection with an approved plan of correction.

Response: Not applicable. This is a new facility.

8. Document and explain any final orders or judgments entered in any state or country by a licensing agency or court against professional licenses held by the Applicant or any entities or persons with more than a 5% ownership interest in the Applicant. Such information is to be provided for licenses regardless of whether such license is currently held.

Response: There are no such final orders, judgments or pending matters.

9. Identify and explain any final civil or criminal judgments for fraud or theft against any person or entity with more than a 5% ownership interest in the project

Response: There are no such civil or criminal judgments against any person or entity with an ownership stake in this project.

10. If the proposal is approved, please discuss whether the Applicant will provide the Tennessee Health Services and Development Agency and/or the reviewing agency information concerning the number of patients treated, the number and type of procedures performed, and other data as required.

Response: If approved, Crossroads will comply with all reporting requirements outlined under Tennessee regulations. The Applicant is not aware of any other reporting requirements, but will comply with any requirements imposed by the TDMHSAS.

PROOF OF PUBLICATION

Attach the full page of the newspaper in which the notice of intent appeared with the mast and dateline intact or submit a publication affidavit from the newspaper as proof of the publication of the letter of intent.

Please see attached copy of the publication from the Johnson City Press showing publication occurred on November 6, 2015.

DEVELOPMENT SCHEDULE

Tennessee Code Annotated § 68-11-1609(c) provides that a Certificate of Need is valid for a period not to exceed three (3) years (for hospital projects) or two (2) years (for all other projects) from the date of its issuance and after such time shall expire; provided, that the Agency may, in granting the Certificate of Need, allow longer periods of validity for Certificates of Need for good cause shown. Subsequent to granting the Certificate of Need, the Agency may extend a Certificate of Need for a period upon application and good cause shown, accompanied by a non-refundable reasonable filing fee, as prescribed by rule. A Certificate of Need which has been extended shall expire at the end of the extended time period. The decision whether to grant such an extension is within the sole discretion of the Agency, and is not subject to review, reconsideration, or appeal.

- 1. Please complete the Project Completion Forecast Chart on the next page. If the project will be completed in multiple phases, please identify the anticipated completion date for each phase.
- 2. If the response to the preceding question indicates that the Applicant does not anticipate completing the project within the period of validity as defined in the preceding paragraph, please state below any request for an extended schedule and document the "good cause" for such an extension.

Form HF0004 Revised 02/01/06 Previous Forms are obsolete

PROJECT COMPLETION FORECAST CHART

Enter the Agency projected Initial Decision date, as published in TCA § 68-11-1609(c): <u>February 2016.</u>

Assuming the CON approval becomes the final agency action on that date; indicate the number of days from the above agency decision date to each phase of the completion forecast.

		* *		Audicin of al Date
	Phase		DAYS REQUIRED	Anticipated Date (MONTH/YEAR)
	1.	Architectural and engineering contract signed	<u>7</u>	3/16
	2.	Construction documents approved by the Tennessee Department of Health	<u>37</u>	4/16
0	3.	Construction contract signed	37	4/16
	4.	Building permit secured	60	<u>5/16</u>
	5.	Site preparation completed	<u>60</u>	5/16
	6.	Building construction commenced	60	5/16
	7.	Construction 40% complete	90	<u>6/16</u>
1	8.	Construction 80% complete	<u>105</u>	7/16
	9.	Construction 100% complete (approved for occupancy	<u>120</u>	7/16
	10.	*Issuance of license	<u>180</u>	916
	11.	*Initiation of service	185	9/16
	12.	Final Architectural Certification of Payment	185	9/16
	13.	Final Project Report Form (HF0055)	<u>190</u>	10/16

^{*} For projects that do NOT involve construction or renovation: Please complete items 10 and 11 only.

Note: If litigation occurs, the completion forecast will be adjusted at the time of the final determination to reflect the actual issue date.

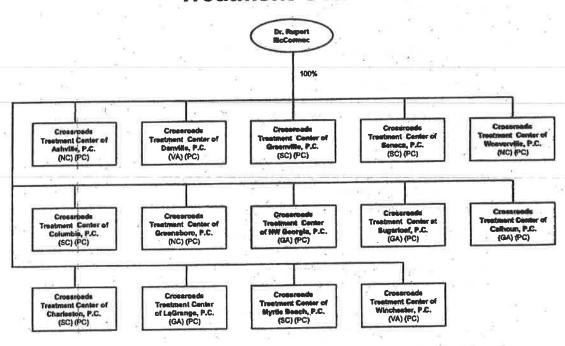
Crossroads Treatment Centers of Tri-Cities, PC

Facility Listing

The Applicant, Crossroads Treatment Centers, is owned by Crossroads Treatment Centers of Tri-Cities, PC, which is owned 100% by Rupert McCormac, MD. Dr. McCormac is the owner of 12 additional operational clinics. All of them are in good standing with all licensure and certification agencies. The name and address of each of them is listed below. Any clinic not listed below that may be included on the following organizational charts is not yet operational.

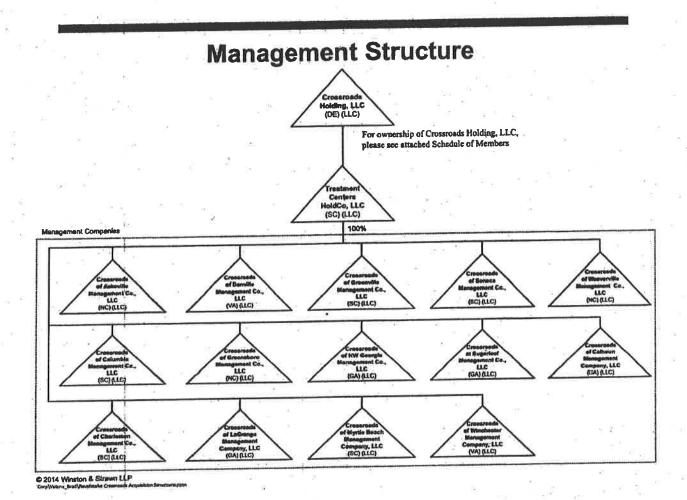
- Crossroads Treatment Center of Asheville 6 Roberts Road Asheville, NC 28803
- Crossroads Treatment Center of Weaverville 901-3 Mars Hill Hwy Weaverville, NC 28787
- Crossroads Treatment Center of Greensboro 2706 North Church St. Greensboro, NC 27405
- 4. Crossroads Treatment Center of Columbia 1421 Bluff Road Columbia, SC 29201
- Crossroads Treatment Center of Greenville
 157 Brozzini Court, Suite E
 Greenville, SC 29615
- Crossroads Treatment Center at Sugarloaf Horizon Village Shopping Center 2855 Lawrenceville Suwanee Road, Suite 330 Suwanee, GA 30024
- Crossroads Treatment Center of Northwest GA 4083 Cloud Springs Road Ringgold, GA 30736
- Crossroads Treatment Center of Seneca
 209 Oconee Square Dr.
 Seneca, SC 29678
- Crossroads Treatment Center of Danville
 1555 Meadowview Drive, Suite 5
 Danville, VA 24541
- Crossroads Treatment Center of Calhoun
 367 Richardson Road
 Calhoun, GA 3070
- 11. Crossroads Treatment Center of Lagrange 229 S. Davis Road Lagrange, GA 30241
- 12. Crossroads Treatment Center of Charleston 2470 Mall Drive North Charleston, SC 29406

Treatment Centers¹



 Each PC has a management agreement in place with its associated management company (LLC). Management companies are responsible for day to day operations (exclusive of medical aspects) and are paid a fee for such services.

Corp/Velona_Brad/Fereinishe Construct Acceletion Structure app © 2014 Winston & Strawn LLP



Attachment B.1

Prescription Drug Epidemic in Tennessee

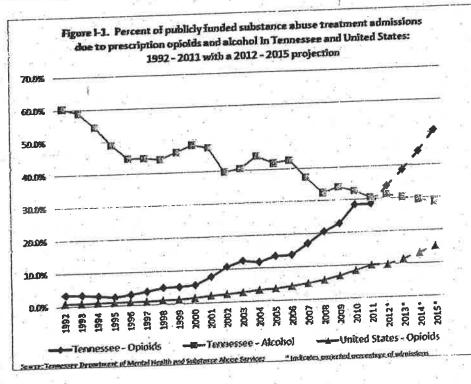
Determination of Need: Opioid Addiction in Northeast Tennessee

It has been estimated by the Tennessee Department of Mental Health and Substance Abuse Services that 4.4% of the adults in Tennessee used prescription pain medication for non-medical purposes in 2013. This represents over 212,000 Tennessee residents of which 69,000 are addicted to prescription opioids and require treatment services.

Similarly, in 2012, the Centers for Disease Control (CDC) reported 259 million prescriptions for powerful painkillers were written nationally. Tennessee was ranked as the second highest prescribing state for narcotic painkillers.3 To put this in perspective, nearly 22 times as many prescriptions per capita were written for opioids in Tennessee as were written in Minnesota.

In addition, heroin use has skyrocketed in Tennessee. Statistics from 2013 show the number of heroin users has doubled compared to figures recorded between 2002 and 20085. During this time period, there were increased State efforts to reduce the abuse of prescription pain medications. As access to prescription medication became both more expensive and limited, persons struggling with addiction turned to heroin use.

This problem has become so pervasive, that in 2012, opioids overtook alcohol as the "primary substance of abuse" for persons in treatment through the Tennessee Department of Mental Health and Substance Abuse Services. The graph below from Prescription for Success⁶ illustrates this dramatic shift and the need for State prevention and treatment efforts to address the urgent needs of this growing segment of the population.



SAMHSA, Center for Behavioral Health Statistics and Quality, National Survey on Drug Use and Health, 2012 and 2013 http://www.samhsa.gov/data/sites/default/files/NSDUHsaeTotals2013/ NSDUHsaeTotals2013.pdf

5 http://www.knoxnews.com/news/heroin-deaths-double-after-painkiller-crackdown 6 http://tn.gov/mental/prescriptionforsuccess/Prescription%20For%20Success.pdf Page 10

http://tn.gov/mental/prescriptionforsuccess/Prescription%20For%20Success.pdf http://www.cbsnews.com/news/the-states-viith-the-worst-prescription-painkiller-problem/

http://www.cbsnews.com/news/the-states-with-the-worst-prescription-painkiller-problem/

What is Opioid Addiction and Who Is at Risk?

The National Institute on Drug Abuse (NIDA) defines addiction as, "a chronic, relapsing brain disease that is characterized by computative drug seeking and use, despite harmful consequences." The Substance Abuse and Mental Health Services Administration (SAMHSA) states concerning opioid addiction,

Opioid addiction is a chronic disease, like heart disease or diabetes. A chronic disease is a medical condition for life. It cannot be cured, but it can be managed.

The American Society of Addiction Medicine characterizes addiction as an:7

- 1. Inability to consistently abstain;
- 2. Impairment in behavioral control;
- Craving; or increased "hunger" for drugs or rewarding experiences;
- Diminished recognition of significant problems with one's behaviors and interpersonal relationships; and
- A dysfunctional emotional response.

According to the CDC, the following groups are at especially high risk for prescription drug abuse:8

- Men ages 25 to 54 have the highest numbers of prescription drug overdoses and are around twice as likely to die from an overdose as are women.
- Women have shown a percentage increase of 400% in deaths from prescription drug abuse since 1999, compared to 265% among men.
- People in rural counties are around twice as likely to overdose on prescription drugs as are people in big cities.
- Youth are at a higher risk for all forms of drug misuse. One in four teens has misused or abused a prescription drug at least once in their lifetime.
- One in eight active duty military personnel are current users of illicit drugs or misusing prescription drugs. This is largely driven by prescription drug abuse, reported by one in nine service members — more than double the rate of the civilian population.

These facts are clearly evident in Tennessee:

- Demographic trends for individuals receiving State-funded opioid treatment (when compared to others using illicit drugs) show that people addicted to opioids are more likely to be married, employed, and have greater than 12 years of education.⁹
- 2. Since 2001, there has been a steady rise in the number of women abusing prescription opioids who are receiving State-funded treatment services and a rise in the number of pregnant women receiving treatment services. From 2001 to 2010, the number of pregnant women receiving state-funded treatment services who reported prescription opioids as a substance of abuse increased by 1,000%.
- Young adults (18-25-year-olds) in Tennessee are using prescription opioids at a 30% higher rate than the national average.

http://www.asam.org/for-the-public/delimition-of-addiction

http://healthyamericans.org/assets/files/TFAH2013RxDrugAbuseRptFINAL.pdf

http://tn.gov/mental/prescription/orsuccess/Prescription%20For%20Success.pdf thtp://tn.gov/mental/prescription/lorsuccess/Prescription%20For%20Success.pdf

ntp://n.gov/mental/prescription/orsuccess/Prescription%20For%20Success.pdf

11 http://tn.gov/mental/prescription/orsuccess/Prescription%20For%20Success.pdf

 51.8% of the drug overdose deaths in the United States in 2013 were related to pharmaceuticals.¹² Of the deaths relating to pharmaceutical overdose in 2013, 71.3% involved prescription pain medications.

Local, state, and federal agencies have implemented prescription drug monitoring programs (PDMP) to address this epidemic. PDMPs provide doctors with prescription profiles and help identify patients that may be diverting or abusing prescription medications. Tennessee's PDMP Law went into effect at the start of 2013 and tracks the prescribing and dispensing of controlled substances. Prescribers now must access the PDMP before prescribing opioids to a new patient. High utilizers, defined as a persons who used 5 prescribers and 5 pharmacies in a 90-day period, decreased 47 percent from 2011 to the fourth quarter of 2013.1

Enthusiasm for PDMPs as a tool to combat the prescription drug epidemic may cause policy makers to overlook their potential limitations and unintended consequences and prevent the development of more comprehensive and evidence-based strategies to address this public health crisis. 12 PDMPs have reduced the supply of legally prescribed opioids, but that has driven many who struggle with addiction to obtain painkillers illegally and/or switch to heroin. If current interventions such as PDMPs are able to decrease the supply of prescription opioids, the overdose epidemic may shift to black market opioids. 15 Approximately 4 out of 5 of heroin users ages 12-49 used prescription opioids before heroin initiation. 16 Heroin, which was once almost exclusively an urban problem, is now spreading to small towns and suburbs.

Additional steps are needed to combat the opioid epidemic including drug abuse treatment programs to address the existing population addicted to prescription pain pills. Because the abuse and misuse of opioids is a complex issue, it is not enough to simply limit access to prescription opioids. Effective management of opioid addiction in Tennessee means those needing addiction treatment must have access to it.

In 2013, The Tennessean began covering heroin's return to the state after a fifteen-year period of relatively few heroin-related police cases. The article stated heroin's resurgence followed the rise in prescription drug abuse. After some doctors were accused of overprescribing or operating as "pill mills" law enforcement agencies and the state legislature put more restrictions on prescription pain medications. As a result, the supply of prescription opioids diminished, making pills from illegal sources "prohibitively expensive" and causing addicts to turn towards heroin as a cheaper alternative. 1

In 2015, there has been a spike in heroin overdoses in Davidson County, which has authorities speculating that there may be batches of heroin cut with fentanyl, a very powerful and sometimes deadly opioid. In response, Doug Varney, the Commissioner of the Department of Mental Health and Substance Abuse, reported that heroin has become a problem in many areas across the state. Mr. Varney states that officials are concerned that people who are not able to obtain prescription opioids might turn to heroin and that they "are very concerned" about the increase in heroin use across the state.1

This shift from prescription painkillers to heroin is an indication of the severity of opioid addiction and the intrinsic difficulties in addressing it through any single approach, such as enhanced prescription control. Opioid addiction involves genetic predisposition, corrupted brain chemistry,

¹² http://www.cdc.gov/homeandrecreationalsafety/overdose/facts.html

http://www.ncbi.nlm.nih.gov/pmc/articles/PMC4307729/ 15 http://www.ncbi.nlm.nih.gov/pmc/articles/PMC4307729/

Haas, Brian. 2013. Heroin returns with vengeance in Nashville area. The Tennessean. July 3. Wilemon, Tom. 2015. Nashville seeks answers for spike in overdose deaths. The Tennessean. March 26.

¹³ Tennessee Department of Health Controlled Substance Monitoring Database Committee. Controlled Substance Monitoring Database 2014 Report to the 108thTennessee General Assembly, February 1, 2014. Page 5. Available at http://health.tn.gov/statistics/Legislative_Reports_PDF/CSMD_AnnualReport_2014.pdf

Muhuri, P.K. Gfroerer, J., Davies, C. (2013). Associations of Nonmedical Pain Reliever Use and Initiation of Heroin Use in the United States. SAMHSACBHSQ Data Review.

Determination of Need

entrenched environmental factors and any number of potential mental-health disorders that make abstinence and rehabilitation difficult to achieve.

Opioid dependent persons need treatment options. Abuse of both opioid painkillers and heroin is medically harmful and potentially lethal. However, both can be treated with medication, coupled with counseling, through an Opioid Treatment Program (OTP) such as that proposed by Crossroads Treatment Centers (Crossroads).

Opioid Addiction is a Chronic Disease

In general, drug dependence has been treated as if it were an acute illness. However, research shows drug dependence, particularly dependence on heroin and other opioids, produces significant and lasting changes in brain chemistry and function.¹⁹

Drug Dependence Similarities to Other Chronic Diseases

Characteristics	Opioid Dependence	Diabetes, Asthma, and Hypertension
Well studied	Yes	Yes
Chronic disorder	Yes	Yes
Predictable course	Yes	Yes
Effective treatments	Yes	Yes
Curable	NO	NO
Heritable	Yes	Yes
Requires continued care	Yes	Yes
Requires adherence to treatment	Yes	Yes
Requires adherence to deadhere	Yes	Yes
Influenced by behavior	Yes	Yes
Tends to worsen if untreated	Yes	Yes

Just like other chronic illnesses such as Type 2 diabetes mellitus, hypertension, and asthma, long-term care strategies of medication management and continued monitoring have been shown to produce the most long lasting benefits. Understanding that opioid addiction is a chronic, relapsing disease similar to other chronic diseases emphasizes the importance of accepting the chronic disease model as an integral part of providing quality patient care in Tennessee and both providing and protecting access to treatment options like medication-assisted treatment.

Opioid dependence results in high relapse rates and limited chances for complete recovery. For most people, opioid addiction treated through withdrawal detoxification is not effective. According to an article by Dr. David Yellen, "this finding has been demonstrated in a wide spectrum of patients" including those who are highly motivated to recover. Withdrawal detoxification on its own leads to relapse rates approaching 90 percent after six months. Longer-term treatment options including medications usually result in increased abstinence rates and improved functioning. ²¹

While efforts to curb opioid prescriptions are important to reduce future incidence of opioid addiction, those efforts will not help the thousands of people who are currently addicted to opioids. The current prevalence of this chronic disease must be addressed.

https://depts.washington.edu/uwmedres/pdf/places/thematic/addiction/Drug%20Dependence-a%20chronic%20mental%20illness.pdf, 1. McLellan AT et al. Addiction. 2005;100(4):447-458; 2. McLellan AT et al. JAMA. 2000;284(13):1689-1695; 3. McLellan AT. Addiction. 2002;97(3):249-252.

http://www.encyclopedia.com/doc/1G2-3403100173.html
Yellen, David A. 2006. Buprenorphine: Effective Treatment of Opioid Addiction Starts in the Office. Am Fam Physician. 2006 May 1;73(9):1513-1514

Economic and Social Costs of Opioid Addiction

Drug overdoses are now the leading cause of accidental death in America, surpassing traffic fatalities. 22 Opioid pain relievers pose an increasingly dangerous threat to public health, leading to more deaths than those from all illegal drugs combined.23

Opioid pain relievers are responsible for three-fourths of all prescription drug overdose deaths and caused more than 16,600 deaths in the United States in 2010. The severity of the epidemic varies widely across US states and regions. Tennessee's overdose death rate for 2010 (16.9 per 100,000 population) is well above the national rate (12.4 per 100,000 population).2

High-risk use of prescription opioids is frequent and increasing in Tennessee and is associated with increased overdose mortality. From 2003 to 2010, drug overdose deaths in Tennessee increased from 422 to 1,059 per year. Deaths involving prescription opioids accounted for more than heroin and cocaine combined.25

In addition to the aforementioned human costs, the epidemic of prescription drug overdose imposes a major cost on the healthcare system. In 2011, drug misuse and abuse in the US caused about 2.5 million emergency department (ED) visits. Of these, more than 1.4 million ED visits were related to pharmaceuticals.26 The number of emergency department visits for prescription drug poisoning increased by approximately 40% from 2005 to 2010 in Tennessee.

In Prescription for Success, it is explained that "the abuse of prescription drugs, specifically opioids, is an epidemic in Tennessee, with disastrous and severe consequences to Tennesseans of every age including: overdose deaths, emergency department visits, hospital costs, newborns with Neonatal Abstinence Syndrome, children in state custody, and people incarcerated for drug-related crimes."

The Healthcare Cost and Utilization Project shows that the total Tennessee hospital charges for prescription opioid poisonings has risen exponentially from \$4,118,187 in 2001 to \$29,308,823 in 2011.28 Employers are impacted through diminished productivity, workplace accidents, and difficulty finding workers who are healthy and drug free.

One study estimated that people who abuse opioids generate over eight times the annual health care costs of people who do not abuse these drugs.29 Furthermore, the abuse of certain opioids such as heroin, which is typically injected intravenously, is also linked to the transmission of HIV, hepatitis, and other blood-borne diseases. Many of these diseases are very costly to treat, especially if they are not diagnosed and treated quickly.

The National Institutes of Health estimates untrealed heroin addiction costs society \$20 billion a year. This includes illness, links to crime, and the cost of treating AIDS, hepatitis B and C, and other illnesses linked to dirty needles and heroin addiction. In the United States, prescription opioid abuse costs were about \$55.7 billion in 2007.7 Of this

24 http://www.cdc.gov/psr/prescriptiondrug/2013/tn-pdo.pdf

27 http://tn.gov/mental/prescriptionforsuccess/Prescription%20For%20Success.pdf p. 17 28 http://tn.gov/mental/prescriptionforsuccess/Prescription%20For%20Success%20SECTION%201.pdf

²² The drug overdose death rate in the United States has more than doubled from 1999 through 2013 and is now the leading cause of injury death, exceeding that of motor vehicle accidents. http://www.cdc.gov/homeandrecreationalsafety/overdose/facts.html

23 "DrugFacts: Prescription and Over-the-Counter Medications." National Institute on Drug Abuse (NIDA),

²⁵ High-risk use by patients prescribed opioids for pain and its role in overdose deaths. JAMA Intern Med. 2014 May:174(5):796-801.

26 http://www.cdc.gov/homeandrecreationalsafety/overdose/facts.html

White AG, Birnbaum, HG, Mareva MN, et al. Direct Costs of Opioid Abuse in an Insured Population in the United States. J Manag Care Pharm. 11(6):469-479. 2005.

Determination of Need

amount, 46% was attributable to workplace costs (e.g., lost productivity), 45% to healthcare costs (e.g., abuse treatment), and 9% to criminal justice costs.

Proposed Service Area

The proposed service area for the Crossroads OTP facility in Johnson City is comprised of the eight most northeastern counties in Tennessee: Carter, Greene, Hancock, Hawkins, Johnson, Sullivan, Unicoi County, and Washington Counties.

As shown in the chart below, the service area's total population is over 600,000 and expected to grow by 15,866 residents between 2014 and 2018. The current adult population age 18+ was 489,407 in 2014 and is expected to grow to 507,961 by 2018.

Service Area Total Population

	2014 Population	2018 Population	2014-2018 Growth	Percent Growth
Carter	57,284	57,680	396	0.7%
Cocke	36,762	38,615	1,853	5.0%
Greene	70,187	71,594	1,407	2.0%
Hamblen	64,108	65,570	1,462	2.3%
Hawkins /	57,509	58,164	655	1.1%
	18,094	18,127	33	0.2%
Johnson	158,975	161,136	2,161	1.4%
Sullivan	18,376	18,511	135	0.7%
Unicoi	130,586	138,370	7,784	6.0%
Washington	611,881	627,767	15,886	2.6%
Service Area Tennessee	6,588,698	6,833,509	244,811	3.7%

Source: Tennessee Department of Health. CON Age-Group Projections 2014-2018.

Service Area Adult Population, 18 +

	X Co. December 1			
	2014 Population	2018 Population	2014-2018 Growth	Percent Growth
Cortor	46,062	46,531	469	1.0%
Carter	28,237	28,570	333	1.2%
Cocke	55,882	57,176	1,294	2.3%
Greene	49,432	51,054	1,622	3.3%
Hambien	46,208	48,679	2,471	5.3%
Hawkins	14,891	14,992	101	0.7%
Johnson		136,255	6,699	5.2%
Sullivan	129,556	15,039	272	1.8%
Unicoi	14,767	The second secon	5,293	5.1%
Washington	104,372	507,961	18,554	3.8%
Service Area	489,407	The state of the s	223,650	4.4%
Tennessee	5,083,707	5,307,357	223,030	

Source: Tennessee Department of Health. CON Age-Group Projections 2014-2018.

The service area population far exceeds the population base needed to support an OTP, as shown in the table below. All figures are from the U.S. Census.

³⁰ http://www.cdc.gov/homeandrecreationalsafety/overdose/facts.html

Statistical Area	2014 population estimate	Number of Tennessee OTPs serving Statistical Area	Number of OTPs serving Statistical Area from Neighboring states
Nashville-Davidson-Murfreesboro- Franklin, TN Metropolitan Statistical Area	1,792,649	2	. 0
Memphis, TN-MS-AR Metropolitan Statistical Area	1,338,230	3	0
Knoxville, TN Metropolitan Statistical Area	857,585	2	0
Chattanooga, TN-GA Metropolitan Statistical Area	544,559		4
Johnson City-Kingsport-Bristol, TN-VA Combined Statistical Area	509,690	0	0
Jackson, TN Metropolitan Statistical Area	130,225	1	0
Dyersburg, TN Micropolitan Statistical Area (2010 population)	38,335	1	
Paris, TN Micropolitan Statistical Area (2010 population)	32,330	1	C
Hardin County (not part of a Metropolitan or Micropolitan Statistical Area, 2013)	26,034	1	C

Estimates show that there are between 8,800 and 21,500 adults in the service area who are addicted to opioids (heroin and prescription pain pills). This estimate is derived using the following methods:³¹

- SAMHSA (Substance Abuse and Mental Health Services Administration- U.S. Department of Health and Human Services) reports that nationally adult heroin use was 0.1% in 2013 and non-medical prescription pain medication use was 1.7% for adults. Combined, this would yield 8,809 opioid abusers or opioid dependents from the proposed service area.³²
- Tennessee's Department of Mental Health and Substance Abuse Services report, "Prescription Drug Abuse In Tennessee" by the Safety Subcabinet Working Group, reported that almost 250,000 Tennesseans older than 12 reported abusing prescription opioids in 2009. This number was based on the National Survey of Drug Use and Health, which estimates 212,000 adults 18 and over in Tennessee (4.4%) misused prescription opioids in 2013. Applied to the service area adult population, this would yield approximately 21,500 opioid abusers or opioid dependents from the proposed service area.

Treatment Options for Opioid Addiction in Northeast Tennessee

Behavioral counseling and drug replacement therapy are two accepted treatment modalities used to treat opioid addiction.

Applicant attempted to get Registry Data of NRMTF enrollment by county from the Tennessee Department of Mental Health and Substance Abuse Services, but the Department does not release this data publically. This is a policy change from prior NRMTF CONs where the data was provided http://store.samhsa.gov/shin/content//NSDUH14-0904/NSDUH14-0904.pdf

- Behavioral Counseling: Individual and/or group counseling as well as other behavioral therapies are the most commonly used forms of treatment for drug abuse in general.
- Drug Replacement Therapy: The treatment of opioid addiction with medications, methadone or buprenorphine, has focused on reducing withdrawal symptoms and cravings. By replacing prescription opioids and heroin with legally obtained opioid agonists, many risk factors of the drug-abusing lifestyle can be managed and mitigated.

Studies have found that combining pharmacologic therapy with behavioral counseling is significantly more effective than either service alone.

Medication-Assisted Treatment

Medication-Assisted Treatment (MAT) utilizing methadone 33 has been in use as a primary form of treatment for opioid addiction and dependence for over 40 years. Methadone maintenance treatment was approved in 1964 as part of a broad, multicomponent treatment program that also emphasized re-socialization and vocational training.

MAT is recognized by the federal CDC as the most effective treatment for opioid addiction. MAT utilizes medication to stabilize brain chemistry, block the euphoric effects of opioids, relieve physiological cravings, and normalize body functions. When taken as prescribed, Methadone is very safe and prevents patients from experiencing withdrawal symptoms while at the same time not producing drowsiness or disorientation.

Like other Crossroads facilities the proposed Crossroads facility would use Methadone in combination with counseling and other behavioral therapies, providing a whole-patient approach to the treatment of substance use disorders. Numerous studies have shown that MAT reduces drug use, disease rates, and criminal activity among opioid addicted persons.

Methadone is used to treat addiction to opioids such as heroin and prescription painkillers (Oxycontin, Percocet, Vicodin). It is not used to treat non-opioid drug addictions to substances like alcohol, marijuana or cocaine. Methadone is a synthetic opioid that blocks the receptors in the brain that are affected by opioids, enabling users to experience a more gradual and medically supervised withdrawal process. Methadone reduces the drug cravings and harsh withdrawal symptoms that are often associated with a patient's relapse, without creating the sense of euphoria associated with the abuse of heroin and other opioids. This allows patients to work and to function as a contributing member of their families during treatment, which helps to make the entire treatment process much more effective.

Methadone is available in the form of an oral solution or wafer and has been available in the US for more than 65 years. Methadone's stabilizing effects last between 24 and 36 hours, and, therefore, most patients take a single daily dose.

MAT is used to treat all forms of opioid addiction. In fact, in Tennessee, only 4 percent of the patients treated at non-residential OTPs³⁴ are treated for heroin addiction. OTPs, like the one proposed for Johnson City, are treating mainstream America's addiction to opioid prescription painkillers.

Methadone (trade name Dolophine)" means a synthetic opioid agonist which has been approved by the FDA for detoxification and maintenance treatment of opioid addiction. Rules of The Tennessee Department Of Mental Health and Developmental Disabilities. Chapter 0940-05-42. Definitions.

Opioid Treatment Program (OTP)" or "Non-Residential Substitution-based Treatment Center for Opioid Addiction" includes, but is not limited to, standalone clinics offering methadone, products containing buprenorphine such as Subutex and Suboxone, or products containing any other formulation designed to treat opioid addiction by preventing symptoms of withdrawal, with the goal of the service recipient becoming free from any drug which is not medically indicated. Rules of The Tennessee Department Of Mental Health and Developmental Disabilities. Chapter 0940-05-42.



Many studies have found Methadone treatment to be highly cost-effective. One year of medication assisted treatment with counseling at the proposed Crossroads facility will cost about \$5,000 per patient

MAT also provides many public health benefits. The CDC reports that the benefits of methadone maintenance therapy include:35

- Reduced or stopped use of injection drugs;
- Reduced risk of overdose and of acquiring or transmitting diseases such as HIV, hepatitis B or C, bacterial infections, endocarditis, soft its sue infections, thrombophlebitis, tuberculosis, and STDs;
- Reduced mortality the median death rate of opioid-dependent individuals in MMT is 30 percent of the rate of those not in MMT;
- Possible reduction in sexual risk behaviors, although evidence on this point is conflicting,
- Reduced criminal activity;
- improved family stability and employment potential; and
- Improved pregnancy outcomes.

MAT benefits also include decreases in narcotic use, drug dealing, and other criminal behavior as well as increases in employment and marriage.36

In addition to the health and public safety value of MAT, there is an economic benefit. Illicit drug use leads to lost productivity at work, health care fees, and costs associated with the criminal justice system. Research shows an economic cost-benefit ratio for methadone maintenance therapy of nearly \$38 saved for every dollar spent on MAT.32

In October 2002, the Food and Drug Administration (FDA) approved buprenorphine, Subutex, and Suboxone for use in opioid addiction treatment. Like methadone, buprenorphine is a drug replacement therapy. There are currently 105 buprenorphine providers in the Tri-Cities area, including an office located in the same medical office complex as the proposed Crossroads facility "

A methadone treatment program is a necessary alternative to treatment with buprenorphine. Persons seeking treatment for opioid addiction often find buprenorphine treatment to be cost prohibitive and each provider is allowed to only treat a very limited number of patients. The proposed Crossroads facility will offer a less costly and highly effective treatment alternative to treatment currently available in the Tri-Cities area.

In addition, private physicians rarely offer on-site counseling in conjunction with buprenorphine treatment. This type of treatment is often termed "dose and dash" because of the lack of behavioral counseling, drug testing, diversion monitoring and individual treatment planning.

It is also important to note that medication-assisted treatment utilizing Methadone is the safest form of treatment for pregnant women.39

³⁵ http://www.cdc.gow/idu/facts/methadonefin.pdf

³⁶ Hubbard, Marsden, Rachal, et al., 1989. Powers and Anglin, 1993. Web Guide, Part B. National Institute on Drug Abuse, Ed. NiDA International Program, 2013

TRI, Ed. "Cost & Utilization Outcomes of Opioid-Dependence Treatment."

³⁸ http://buprenorphine.samhsa.gov/pls/bwns_locator/lprovider_search.process_query

Addiction Treatment Forum. Research Study Results: Methadone Best for Babies Born with Drug Withdrawal.

Geographic Accessibility of Treatment Services

Travel distance is a recognized barrier to treatment with studies showing that treatment rates fall substantially as commute distances increase beyond 25 miles. 40 Some persons seeking help simply forego treatment because of distance barriers. The U.S. Department of Veteran Affairs also did a study on how distance affects treatment, and their findings were sobering. Following inpatient treatment, those substance abuse patients who could travel 10 miles or less for outpatient treatment services were 2.6 times more likely to obtain outpatient treatment than those who had to travel more than 50 miles.41

Based on the current estimates of patients in the Tri-Cities area traveling out of state to OTPs for MAT, an additional 4,000 opioid addicts in the service area can be expected to seek treatment if it were available in the service area. The proposed OTP improves geographic access to treatment for persons who are not in treatment and makes it easier for those in treatment to stay in treatment.

Similarly, the 2001 Tennessee Methadone Task Report indicated the number of people seeking treatment for opioid addiction was directly proportional to the distance traveled to receive treatment. The Task Force report also noted the number of patients diminish greatly when the distance lived from the clinic exceeds 60 miles.

There are currently no licensed OTP facilities in the proposed service area. Attachment B.II.C contains a map of all licensed and proposed OTPs in Tennessee.

- The closest Tennessee OTP to the service area is located in Knoxville (Knox County), with a driving distance over 100 miles or approximately a 1 hour and 40 minute drive time from the cities of Johnson City, Bristol, and Kingsport in the proposed service area.
- The closest out of state OTP is located in Weaverville, North Carolina with a driving distance of 52 miles or a 56 minute drive time for residents of Johnson City. The following is a table of driving distances and times for methadone services from larger cities in the proposed service area to the proposed clinic in Johnson City, and the nearest existing clinics located in Knoxville and Weaverville, North Carolina.

OTP	Johnson City, TN	Kingsport, TN	Bristol, TN
Proposed Crossroads location	0 minutes	28 minutes	36 minutes
	0 miles	23 miles	25 miles
Crossroads of Weaverville, NC	54 minutes	76 minutes	85 minutes
	52 miles	74 miles	76 miles
Knoxville, TN (2 OTP Locations)	98 minutes	91 minutes	103 minutes
	107 miles	99 miles	113 miles

Source: Google Maps

Data are not available to the applicant on the number of service area residents currently receiving treatment in Knoxville. Crossroads Management Entities operate the nearest out of state OTPs, Crossroads of Weaverville, North Carolina and Crossroads of Ashville, North Carolina.

Center for Health Care Evaluation and Health Economics Resource Center, Veterans Affairs, Palo Alto Health Care System, Palo Alto, CA, USA. "The influence of distance on utilization of

outpatient mental health aftercare following inpatient substance abuse treatment."

⁴⁰ K. Beardsley, E. D. Wish, D. B. Fitzelle, K. O'Grady, and A M. Arria, "Distance traveled to outpatient drug treatment and client retention," Journal of Substance Abuse Treatment, val. 25, no. 4, pp. 279-285, 2003, cited in "Distance Traveled and Cross-State Commuting to Opioid Treatment Programs in the United States," Journal of Environmental and Public Health, Volume 2011, Article ID 948789.

Approximately 300 patients currently travel from the service area to the applicant's Weaverville and Asheville facilities located 49 and 70 miles from the proposed location respectively.

Patients treated at the Crossroads Weaverville and Crossroads Asheville facilities must travel over 100 miles round trip up to seven times per week. There are three other OTPs in Asheville (Western Carolina, CRC and Mountain Area Recovery Center) and two other OTPs in Boone, North Carolina (Stepping Stone and McLeod) that report between 20% and 40% of their patients are from northeast Tennessee.

State and federal regulations require new patients to make this commute six to seven days per week for up to three months. For the next three months of treatment, patients must make this commute a minimum of 5 days per week, then 4 days per week for the next three months, then 1 day per week thereafter. In other words, for the first year in treatment, patients residing in the service area must travel to get treatment over 200 days per year and travel in excess of 20,000 miles.

If a Johnson City patient travels 200 miles round trip to Knoxville, he or she will also consume approximately \$18.28 in gas and over three hours of drive time each day 42. This is a significant hardship for patients, especially new patients who must come seven days per week. Under current rules, new patients from the Northeast Tennessee area driving to Knoxville (the closest clinic in Tennessee) must drive up to 9,000 extra miles in the first 45 days of treatment. For residents of the service area that are seeking to break the cycle of addiction, this is especially difficult if they work in the morning, are parents of young children, have unreliable transportation, or struggle with their finances.

The benefits of MAT depend on geographic accessibility. Extensive travel interferes with employment and family responsibilities. The patients from Northeast Tennessee who travel significant distances to the nearest OTP face a tremendous hardship to maintain treatment. Of the barriers to treatment, geographic distance is at the top of the list, even higher than access to healthcare insurance.

^{42 (200} miles/23.3 miles/gallon)* \$2.13/gallon

Attachment B, Project Description, II.A. Program Rules



PROGRAM RULES AND CONSEQUENCES

Treatment programs have rules and regulations to provide effective treatment services and a safe environment for all patients and staff. Many of these rules have specific consequences that can impact your treatment. It is important that you understand the following rules and possible consequences.

RULES

Program rules and expectations include (but are not limited to) the following:

- 1. No loitering will be permitted under any circumstance. Patients are expected to leave the premises upon receiving medication unless they have other business such as counseling or doctor appointments.
- Patient(s) waiting to see staff must do so inside the building, in the waiting area.
- Patients will be subject to medication/bottle recalls at any time,
- Patients will be subject to call-in drug screens.
- Patients must return all empty take-home medication bottles prior to receiving further take-home medication.
- Patients are required to provide at least one drug screen per month. If a patient fails to provide a requested drug screen, it will be treated as a positive screen.
- Patients are expected to discontinue illicit drug use.
- Patients are not allowed to use tobacco products within the facility.
- 9. Patients are expected to attend the treatment center as scheduled.
- 10. Patients are expected to respect the confidentiality of other patients.
- 11. Patients are not allowed to bring Weapons on the premises. Violators will be asked to immediately leave the premises and may not be allowed back on the premises.
- 12. Patients are expected to treat staff and other patients with dignity and respect.
- 13. Patients must avoid all body language that may appear hot-tempered or threatening.
- 14. Patient must avoid all aggressive behaviors (e.g., raised voices, hollering, swearing, implied physical assault). Violators will be subject to a treatment intervention plan.
- 15. Patients must never commit acts of violence or threats of violence against Crossroads staff or other patients. Any act of violence or threat of violence will result in immediate discharge from treatment at this facility.
- 16. Patients are prohibited from using audio and video recording on the premises. This prohibition includes the use of video, film, digital and phone cameras, as well as tape recorders.
- 17. Making treatment a financial priority in your life is an important part of recovery. Patients must pay for treatment services and medication at the time received. Please don't expect to receive treatment or medicine if you do not have the necessary funds. We do not make exceptions. Asking to borrow money will not be tolerated.

CONSEQUENCES

The following consequences are the likely result of failure to comply with program rules and expectations:

Behaviors that may result in reduction of your medication dose

- 1. Missed Days
- Testing positive for illicit use of Benzodiazepines, Alcohol or Barbiturates.



Behaviors that may result in reduction or suspension of take-home medication privileges include (but are not limited to)

- 1. Continued illicit drug use (The consequences for continued use of illicit drugs including marijuana and alcohol are as follows, minimally: Two positive drug screens (including marijuana and alcohol) within a 90day period will result in a reduction of take-home dosing privileges. Three positive drug screens (including marijuana and alcohol) within a 90-day period will result in suspension of all take-home privileges.)
- 2. Missed counseling sessions
- 3. Missed Days
- Failed Bottle Security Recall
- Failure to return take-home medication bottles
- Misuse of dose (taking more than prescribed, giving or selling dose, etc.)
- Employment status (including time spent in active job search or enrollment in school or training program)
- Failure to secure take-home doses (or doses falling into unauthorized hands due to negligence)
- Disruptive or inappropriate behavior at facility
- 10. Missed payments or otherwise not fulfilling payment agreement
- 11. Involvement in criminal activity
- 12. Instability in home environment

Behaviors that may result in discharge from the treatment program

- 1. Failure to maintain required behavior contracts given by staff, treatment teams, or Medical Director
- Disruptive or inappropriate behavior at facility
- Physical violence or threats of physical violence (Results in immediate termination from treatment services)
- Possession or sale of any illicit drugs on the Crossroads Treatment Center premises
- Use (or the introduction) of any alcoholic beverage into the Treatment Center premises
- Excessive use of alcohol or continued illicit drug use
- Continued loitering on the facility premises
- Failure to pay Treatment Center fees
- 9. Abusing medication (i.e. too much, losing medication, or falling to take as prescribed)
- 10. Behavior that reflects a general unwillingness to cooperate with the protocols of the program.
- 11. Violation of the confidentiality of other patients
- 12. Attempting to falsify a drug test
- 13. Diversion of medication (Selling, sharing, or giving away one's own medication)
- 14. Missed Days

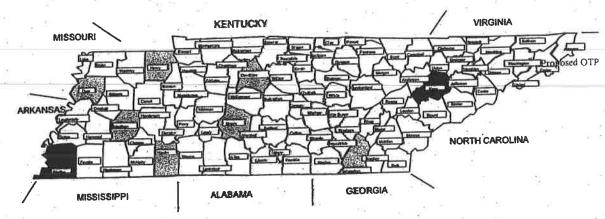
14. Missed Days	the above expectations and rules.	I understand that a copy of	f
14. Missed Days I have read, understand and do consent by signature to	the above expectations and the		
this document will be included in the Patient Handboo	k given to me.		

ĥ II	1		m	0.7	
21 1 1 K				Date	
Client Signature			3 1		
2 11 12	9	0.2		TC 3	
				Date	100
Counselor Signature					

Attachment B, Project Description, II.C. Map of Tennessee OTPs

March 2011

Tennessee Opioid Treatment Clinics



O ONE LOCATION TWO LOCATIONS THREE LOCATIONS

Shelby (Memphis) ADC Recovery & Counseling Center 3041 Getwell, Suite 101 Riemphie, TN 36118 (901) 375-1050 Hours of Operation M-F 5a-1:30p; Sat 6a-9a Dosing Hours M-F 5:30a-11a; Sat 6a-9a

Memphis Center for Research & Addiction 1270 Medison Ave Memphis, TN 38104 (901) 722-9420 Hours of Operation M-F 5:45a-2p; Sat 6a-9a Dosing Hours M-F 5:45a-1p; Sat 6a-9a

Raleigh Professional Associates 2960-B Austin Peay Hwy Memphis, TN 38128 (901) 372-7878 Hours of Operation M-F 5a-1p; Sat 6a-2p Dosing Hours M-F 5a-9a; Sat 6a-10a

Midsouth Trestment Center 640 Hwy 51 Bypess 3, Suite M Dyersburg, TN 38024 (731) 285-6535 Hours of Operation M-Set 5a-11a Dosing Hours M-F 5a-11a; Set 6a-10a

Jackson Professional Associates 1868 Hwy 45 Bypass, Suite 5 Jackson, TN 38305 (731) 660-0880 Hours of Operation M-F 5e-1p; Sat 5e-2p Dosing Hours M-F 5s-1p; Sat 6a-2p

Paris Professional Associates 2555 East Wood Street Paris, TN 36242 (731) 641-4545 Hours of Operation M-Set 5a-1p Dosing Hours M-Set Sa-1p

Solutions of Savannah 85 Herrison Street Severmen, TN 38372 (731) 925-2767 Hours of Operation M-Set 5:30a-12p Dosing Hours M-F 5:30a-11a; Set 6a-9a

Recovery of Columbia 1202 South James Campbell Blvd. Columbia, TN 38401 (931) 381-0020 Hours of Operation M-Sat 5:30a-11a Dosing Hours M-F 5:30-11a; Sat 6e-9a

Middle Tennessee Treatment Center 2410 Charlotte Avenue Newholke, TN 37203 (615) 321-2575 Hours of Operation M-Sat 6a-1p Doeing Hours M-F 6a-1p; Sat 6a-9a

Volunteer Treatment Center, Inc. 2347 Rossville Blvd Chattanooga, TN 37408 (423) 265-3122 Hours of Operation M-Sat 5:30s-2p Dosing Hours M-F 5:30a-12:30p; Sat 5:30-11a

Knox (Knoxville)
DRD Knoxville Medical Clinic-Central 412 Citico Street Knoxville, TN 37921 (865) 522-0661 Hours of Operation M-Sat 5:30a-2:30p Dosing Houre 5:30a-11p; Sat 6a-9a

DRD Knowifie Medical Clinic-Bernard 626 Bernard Avenue Knoxville, TN 37921 (865) 522-0161 Hours of Operation M-Set 5:30a-2:30p Dosing Hours M-F 5:30a-11a; Sat 6a-9a

Attachment B, Project Description, III.A. Plot Plan



Property Report

Monday, June 29, 2015

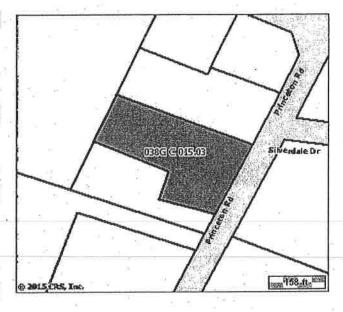
Princeton Rd, TN Washington County, TN parcel# 038G C 015.03

Property Report

Location	等。1975年1月1日 - 1975年 -
Property Address	Princeton Rd TN
Subdivision	Lena Crumley Tucker Est
County	Washington County, TN

Current Owner	med that the v	1. 15 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5
Name	Mountain States	Health Alliance
Mailing Address	400 N State Of F Johnson City, TN	Franklin Rd N 37604-6035

Property Summary			新 罗马 (京美)
Property Type	Residential	8 17	
Land Use			
Improvement Type	A 40	45)	
Square Feet			

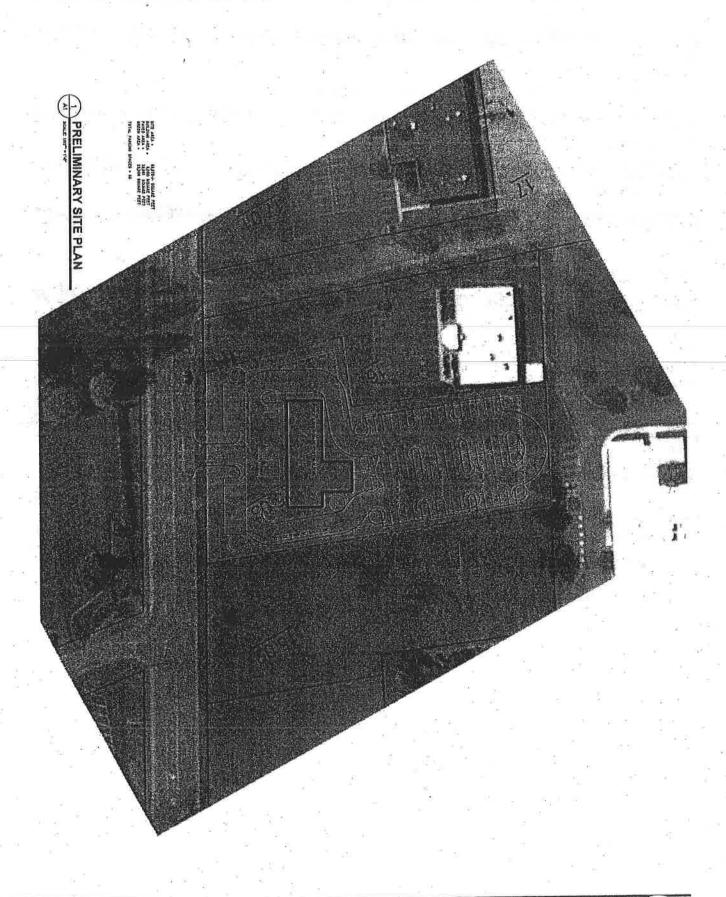


Sales History through 06/09/2015							
Date	Amount	Buyer/Owners	Buyer/Owners 2	Instrument	No. Parcels	Book/Page or Documen	
01/05/200	\$500,000	Mountain States Health Alliance		Warranty Deed	2	R480/I1706	
07/24/200	3 \$200,000	Cardiology Consultants Medical Properties Lic	5.	Warranty Deed		R344/I172	
12/01/199	9	Pearson Carolyn Crumley				R189/I1507	
12/15/199	8	Crumley Lena C L/E Rem: Tucker Lena C Etal	6			R160/I316	
05/23/199	95	Crumley Lena C L/E Rem: Crumley John L Etal		1	3	R71/I1620	
07/26/197	6	P n	8		2	502/460	
03/13/197	5	₽ ^a	35.		2	498/101	
04/09/197	4			2	2	478/333	

Tax Assessment							
Appraisals	Amount	Taxes	Amount	Jurisdiction	Rate		
Assessment Year	2014	Tax Year	2014	2			
Appraised Land	\$233,600	City Taxes	\$946.08	Johnson City	1.62		
Appraised Improvements	\$0	County Taxes	\$1,156.20	Washington	1.9798		
Total Tax Appraisal	\$233,600	Total Taxes	\$2,102.28		1 - 4		
Total Assessment	\$58,400	Exempt Amount			10.75		
		Exempt Reason					

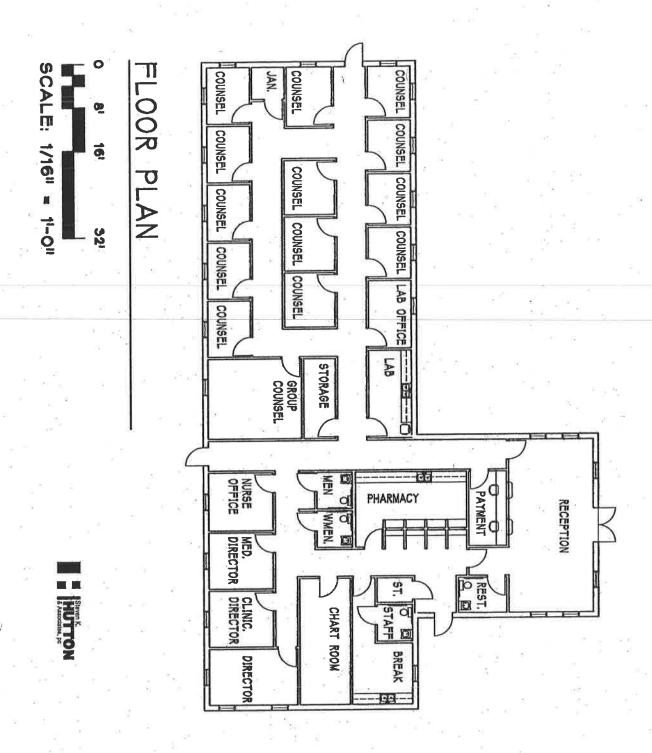
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Attachment B, Project Description, IV Floor Plan



Attachment C, Need 1(a)

- 1. Safeguards Against Drug Abuse and Diversion in MAT Programs
- 2. 2008 Tennessee Department of Mental Health NRMTF Data

SAFEGUARDS AGAINST DRUG ABUSE AND DIVERSION IN MAT PROGRAMS

1. RESTRICTIONS ON TAKE-HOME MEDICATION

Upon initial admission to the program patients must attend the center daily for treatment. The patient does not receive any medication to take home (assuming the operator is open 7 days per week as opposed to 6, therefore limiting if not eliminating the possibility of abuse or diversion early on in treatment.

Receiving any take home medication at any stage of treatment is a privilege that is earned over time. This privilege can only be earned by meeting strict federally mandated criteria commonly referred to as the "8-point criteria" combined with mandatory time of continuous treatment compliance articulated in the Federal Opioid Treatment Regulations. To determine whether or not a particular patient may receive take home medication requires the medical director to make a decision based on many factors, including but not limited to:

"8-Point Criteria"

- 1. Absence of recent abuse of drugs
- 2. Regularity of clinic attendance
- 3. Absence of serious behavioral problems at the clinic
- 4. Absence of known recent criminal activity (e.g., drug dealing)
- 5. Stability of the home environment and social relationships of the patient
- 6. Length of time in comprehensive maintenance treatment with absence of illicit drug use.
- 7. Assurance that take-home medications can be safely stored at the home of the person served.
- 8. Weighing of the rehabilitative value of decreasing the frequency of clinic attendance against potential risks for diversion.

Schedule of Take-Home Eligibility per Federal Opioid Treatment
Regulation 42 CFR 8.12

Eligibility Level	Length of Time in Continuous Treatment	Length of Time of Continuous Compliance with Program Requirements	Weekly Clinic Attendance	Take Home Doses
Level 1	1 - 90 days (3 months)	Less than 90 days	6 days/week	1
Level 2	91 - 180 days (3 - 6 months)	90 days minimum at Level	4 days/week	3
Level 3	181 - 270 days (6 - 9 months)	90 days minimum at Level 2	3 days/week	4
Level 4	271 - 365 days (9 months to 1 year)	90 days minimum at Level 3	2 days/week	5
Level 5	Greater than 1 year	180 days minimum	1 day/week	6
Level 6	Greater than 2 years	1 year minimum at Level 5	One visit every 14 days	13

2. DIVERSION CONTROL PLAN

An OTP must develop and maintain a diversion control plan (DCP). The goal of a DCP is to reduce the scope and significance of diversion and its impact on communities. Each program's DCP should make every effort to balance diversion control against the therapeutic needs of the individual patient. DCPs should address at least four general areas of concern: program environment, dosing and take-home medication (take-homes), prevention of multiple program enrollment, and prescription medication misuse.

A. Program Environment:

Diversion in the program environment can be deterred and detected by regular surveillance and the monitoring of areas in and around the program, where opportunities for diversion may exist. Some OTPs use video surveillance; however, few rely solely on this method. A system of rounds, where security personnel or other staff walk around the interior and exterior of the clinic on a regular and periodic basis to observe activities at the entrances and in the hallways, adjacent alleys, and parking areas, provides an opportunity to assess and intervene in suspicious behaviors such as loitering. A visible human presence at a program's location gives community members the opportunity to approach staff with concerns and communicates the program's commitment to assuring a safe environment and a positive impact on the surrounding community. It also is recommended that OTP staff consult periodically with law enforcement in the surrounding community and where patients live to discuss surveillance findings (assuming it will not impair any criminal investigation) and the perceived and actual problems encountered. Patient involvement in assuring a therapeutic and safe treatment environment is an essential part of a DCP. Patient committees can advise on program policies and procedures and how they are implemented. Patients can make important contributions to problem solving and help balance diversion control strategies with the needs of patients.

B. Dosing and Take-homes:

In the area of dosing and take-homes, diversion control encompasses careful control of inventory, attentive patient dosing, and close supervision of take-homes. Although observing a patient take his or her dose and having each of them drink and speak after dosing are fundamental components of diversion control, it is easy to lose sight of the importance of these repetitive nursing tasks. Take-home dosing should be provided with careful attention to regulatory compliance and the therapeutic benefit and safety these regulations are meant to promote. Random call backs to inventory a patient's take-home doses are an important element of any DCP. Patients must be clearly informed of the responsibility they have to keep take-home opioid medications in a child-proof medication container and store them in a secure location. It also is important to perform toxicology testing on patients with take-home doses without falling into a predictable routine and to have clear policies and procedures to prevent the falsification of toxicology specimens. A program's response to toxicology specimens that are negative for methadone or otherwise indicative of falsification needs to address the possibility of diversion of methadone. Simple strategies, such as requiring the return of all take-home dose bottles, can reduce the opportunity for passing off diverted methadone as legitimate. Always investigate the 4853-0055-5050.1

alleged or actual source of diversion, and, if necessary, change the frequency of take-home reviews. Drug testing regimens also may have to be reevaluated. Special, intensified group or individual counseling sessions may be helpful for individuals or groups at risk for diversion problems. Programs currently closing for Sundays or holidays should have clearly spelled out policies and procedures for determining who may have a take-home dose for these days. Universally granting take-homes for days when the program is closed increases the program's risk for diversion and adverse outcomes. Consideration should be given to opening on these days for a short period to administer medications to those patients not yet able to dose safely without supervision. Monitoring patients receiving medication for unsupervised use requires the physician to have knowledge of physiological issues; a thorough understanding of the differences among laboratories; and the factors that affect absorption, metabolism, and elimination of opioids. Knowledge and understanding in these areas are essential, for example, to interpret a toxicology test that is negative for methadone or methadone metabolites. All staff members may contribute to the safety and therapeutic benefits of unsupervised medication use. Any observations or information relevant to the use of unsupervised medication use acquired in the course of interacting with patients is to be conveyed to the medical director for his or her consideration in making dosing and management decisions.

C. Prevention of Multiple Program Enrollment:

Reasonable measures should be taken to prevent patients from enrolling in treatment provided by more than one clinic or individual practitioner. These measures should be commensurate with the severity of the problem and the documented consequences. An OTP, after obtaining patient consent, may contact other OTPs within a reasonable geographic distance (100 miles) to verify that a patient is not enrolled in another OTP.

D. Misuse of Prescription Medication:

The misuse of prescription medication has become an area of great concern nationally and impacts diversion control planning at OTPs. Nearly all states have a prescription drug monitoring program (PDMP) of some sort. Up-to-date information about each state's PDMP can be found at Brandeis University's PDMP Training and Technical Assistance Center. In addition, the National Alliance of Model State Drug Laws is another source of information. While state programs may vary from one another, all OTP physicians and other healthcare providers, as permitted, should register to use their respective state's PDMP and query it for each newly admitted patient prior to initiating dosing. The PDMP should be checked periodically (for example, quarterly) through the course of each individual's treatment and, in particular, before ordering take-home doses as well as at other important clinical decision points. Querying the PDMP will result in a range of possible results. In some cases, no use of scheduled prescription medications will be identified. In others, the history of prescription use reported by the patient will be confirmed. If the patient has ongoing relationships with prescribers from whom they may still acquire prescriptions for controlled substances or other psychotropics, strategies to prevent or limit this activity should be established. Ideally, releases of information should be obtained from each prescriber in order to coordinate needed medical care while avoiding the use of medications that may interact with the pharmacotherapy for a substance use disorder. Lastly, the PDMP may reveal ongoing receipt of prescriptions not reported to the program for substances known to be misused by the patient. An assertive strategy of care coordination combined with

additional treatment strategies, such as medically supervised withdrawal from the misused prescription medications and intensive behavioral interventions, may need to be implemented. In some situations, the presence of active diversion may lead to discharge for reasons of patient safety or the safety of the community. Of particular concern is when a patient refuses to sign a release of information to allow care coordination with other prescribers. The program should develop detailed policies and procedures to govern the use of and response to PDMP information for diversion control. Every effort, including full psychiatric assessment, higher levels of substance use disorder treatment, detoxification services, and intensive counseling, should be made to address the addictive behaviors underlying the individual's polysubstance use. The responsibility to implement and monitor each aspect of the DCP should be clearly assigned to specific clinical, administrative, or medical staff members as appropriate. These staff members should have the opportunity to meet regularly to update one another on issues and communicate concerns. This may be accomplished during regular meetings of a specific diversion control committee. In smaller programs, the DCP may be a regular business item during meetings of all staff. Specific procedures for monitoring possible diversion in each of these areas and how to address it should be spelled out.

Lastly, it is worth noting that the National Institutes of Health states "the safety and efficacy of MMT has been unequivocally established" adding that "methadone maintenance coupled with relevant social, medical and psychological services has the highest probability of being the most effective of all available treatments for opioid addiction

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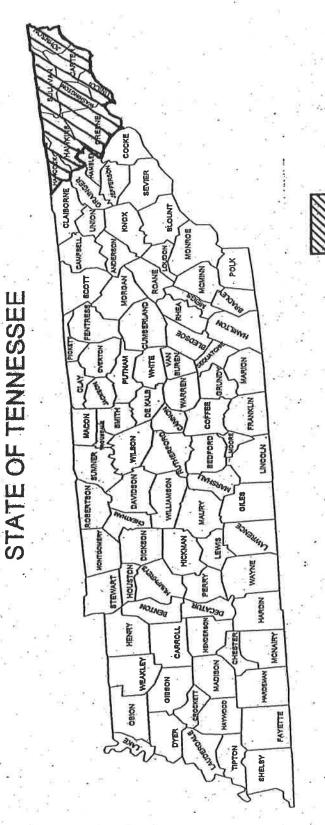
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Attachment C, Need 3 Map of Service Area



Proposed Service Area

Attachment C - Economic Feasibility - 1 Architect Letter

Architecture • Planning • Design 245 East New Street, Suite 201 Kingsport, Tennessee 37660 423-378-5592



October 30, 2015

Phillip M. Earhart, Health Services Development Examiner State of Tennessee Health Services and Development Agency Andrew Jackson Building 9th Floor Nashville, TN

Crossroads Treatment Centers of Tricities Re:

Dear Mr. Earhart:

The project consists of the construction of a new one story building on a previously undeveloped site. The construction will generally be comprised of

- Metal or wood exterior framed walls and masonry veneer
- Wood or metal truss roof structure with membrane or shingle roof system
- Metal stud interior partitions and trim finishes of paint and vinyl wall coverings
- Solid core wood doors and steel frames
- Floor coverings of carpet, ceramic tile, vinyl tile and related base
- Suspended acoustic ceilings
- Casework and countertops
- Heating, ventilating and air conditioning systems
- Electrical services and lighting
- Plumbing for restrooms, break area and miscellaneous building services
- Asphalt paved parking lots, concrete sidewalks and related site improvements

We estimate that the cost to construct the project to provide a physical environment, according to applicable federal, state and local construction codes, standards, specifications to be \$1,449,600.

When constructed the physical environment will conform to applicable federal standards and licensing agency requirements.

Please call me if you have any questions.

Sincerely

Architecture • Planning • Design 245 East New Street, Suite 201 Kingsport, Tennessee 37660 423-378-5592



1.5 Acre Site Princeton Road Johnson City, TN 10/30/2015

Building Interior (60%) \$84 /sf x 6,000 sf	\$504,000.00	
Building Shell (40%) \$56 /sf x 6,000 sf	\$336,000.00	
Site Grading	\$35,000.00	
Site Utilities and Water Quality	\$40,000.00	
Paving, Sidewalks and Curbs \$4 x 39,661 sf	\$158,600.00	
Landscaping, Grass Retaining Walls and Site I	Finishes \$25,000.00	
Site Civil Engineering fees	\$4,000.00	
Architectural, Mechanical, Plumbing, Electric	al	
Engineering Design fees	\$46,400.00	
Topographic Survey	\$2,000.00	
Geotechnical Testing and Report	\$3,600.00	
Land cost	\$295,000.00	

Preliminary Project Budget

\$1,449,600.00



We will treat you with compassion and respect.

Crossroads Treatment Center of Tri-Cities, PC

Pre-Opening Expense for Staff		\$35,000		
Office Supplies			Staple/GOS	
Medical Supplies			Moore Medical	. **
Furniture			Staples/Amazon	si <u>.</u>
Computers			Mountain Communication Systems	6
Security (Cameras/Alarm)		\$18,000 N	Mountain Communication Systems	
Land Purchase	\$2	295,000		g *** **
Building/Architect	\$1,3	154,600 S	Steve Hutton & Associates, PC	Marie and Angeles
Application Fees	н "ж. а"	\$15,000	Tennessee Dept. of Health, CARF, SAN	инSA, Business Lic
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Sub Total	 \$1,660,600
10% contingency on Total	\$166,060
Total Costs	\$1,826,660

Attachment C, Economic Feasibility - 2 Funding Documentation

We help opioid-dependent people get their lives back.

October 5, 2015

Statement Regarding Funding Sources

Crossroads has secured a \$5 million Revolving Note funded by Ally Bank. In part, the purpose of this note is to cover the development and start-up costs of projects such as the Crossroads Treatment Center of Tri-Cities, PC project.

A copy of this note appears on the following 4 pages. On the last page hereafter is a copy of a statement prepared by Ally Bank on October 5th, 2015 showing "total available to draw" balance of \$4,799,977.80.

If I can provide additional detail or answer any questions, please do not hesitate to reach out to me. I can be reached via email at jevans@crossroadstreatmentcenters.com or by phone at 404-444-1238.

Thank you,

James H. Evans

Chief Financial Officer

Treatment Centers HoldCo, LLC

REVOLVING NOTE

\$5,000,000.00 New York, New York December 23, 2014

The undersigned, TREATMENT CENTERS HOLDCO, LLC, a South Carolina limited liability company ("HoldCo"), CROSSROADS OF ASHEVILLE MANAGEMENT CO., LLC, a North Carolina limited liability company ("Asheville"), CROSSROADS OF COLUMBIA MANAGEMENT CO., LLC, a South Carolina limited liability company ("Columbia"), CROSSROADS OF DANVILLE MANAGEMENT CO., LLC, a Virginia **GREENSBORO CROSSROADS** OF liability company ("Danville"), limited MANAGEMENT CO., LLC, a North Carolina limited liability company ("Greensboro"), CROSSROADS OF GREENVILLE MANAGEMENT CO., LLC, a South Carolina limited CROSSROADS OF NORTHWEST GEORGIA liability company ("Greenville"), MANAGEMENT CO., LLC, a Georgia limited liability company ("Northwest Georgia"), CROSSROADS OF SENECA MANAGEMENT CO., LLC, a South Carolina limited liability company ("Seneca"), CROSSROADS AT SUGARLOAF MANAGEMENT CO., LLC, a Georgia limited liability company ("Sugarloaf"), CROSSROADS OF WEAVERVILLE MANAGEMENT CO., LLC, a North Carolina limited liability company ("Weaverville"), CROSSROADS OF CALHOUN MANAGEMENT COMPANY, LLC, a Georgia limited liability company ("Calhoun"), CROSSROADS OF CHARLESTON MANAGEMENT COMPANY, LLC, a South Carolina limited liability company ("Charleston"), CROSSROADS OF LAGRANGE MANAGEMENT COMPANY, LLC, a Georgia limited liability company ("LaGrange"), CROSSROADS OF MYRTLE BEACH MANAGEMENT COMPANY, LLC, a South Carolina limited liability company ("Myrtle Beach"), CROSSROADS MERGER SUB, LLC, a Delaware limited liability company ("Merger Sub") (individually and collectively, jointly and severally, "Borrower"), for value received, promises to pay ALLY BANK, at its principal office, as agent for Lenders (in such capacity, the "Agent") in New York, New York, in lawful money of the United States of America and in immediately available funds, the principal amount of Five Million Dollars (\$5,000,000.00, together with accrued and unpaid interest from and after the date hereof on the unpaid principal balance of this Revolving Note (this "Revolving Note") outstanding from time to time.

This Revolving Note is issued pursuant to that certain Loan and Security Agreement of even date herewith among Borrower, CROSSROADS HOLDING, LLC, a Delaware limited liability company ("Holdings"), and any other Guarantor from time to time a party thereto (together with Holdings, individually and collectively, "Guarantor"), the financial institution(s) listed on the signature pages thereof and their respective successors and Eligible Assignees (each individually a "Lender" and collectively "Lenders") and Agent (as may be amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement"), and is entitled to the benefit and security of the Loan Documents provided for therein, to which reference is hereby made for a statement of all of the terms and conditions under which the loan evidenced hereby is made including those pursuant to which this Revolving Note may or must be paid prior to its due date or the due date if accelerated. All capitalized terms herein, unless otherwise defined, shall have the meanings ascribed to them in the Loan Agreement.

The principal amount of the indebtedness evidenced hereby shall be payable in the amounts and on the dates specified in the Loan Agreement and, if not sooner paid in full, all unpaid principal and accrued interest shall be due and payable on the Termination Date. Interest thereon shall be paid until such principal amount is paid in full at such interest rates and at such times as are specified in the Loan Agreement.

Upon and after the occurrence and during the continuance of an Event of Default, this Revolving Note shall or may, as provided in the Loan Agreement, and without demand, notice or legal process of any kind, become or be declared immediately due and payable.

To the extent permitted by applicable law, demand, presentment, protest and notice of nonpayment and protest are hereby waived by Borrower.

This Revolving Note shall be interpreted, governed by, and construed in accordance with, the laws of the State of New York applicable to contracts made and to be performed entirely within such State.

(Signature page follows)

(Signature Page to Revolving Note)

IN WITNESS WHEREOF, the undersigned has executed and delivered this Revolving Note as of the date first above written.

BORROWER:

TREATMENT CENTERS HOLDCO, LLC, a South Carolina limited liability company CROSSROADS OF ASHEVILLE MANAGEMENT CO., LLC, a North Carolina limited liability company CROSSROADS OF COLUMBIA MANAGEMENT CO., LLC, a South Carolina limited liability company CROSSROADS OF DANVILLE MANAGEMENT CO., LLC, a Virginia limited liability company CROSSROADS OF GREENSBORO MANAGEMENT CO., LLC, a North Carolina limited liability company CROSSROADS OF GREENVILLE MANAGEMENT CO., LLC, a South Carolina limited liability company CROSSROADS OF NORTHWEST GEORGIA MANAGEMENT CO., LLC, a Georgia limited liability company

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Bv:

Rupert J. McCormac J., M.D. Chief Executive Officer

(Signature Page to Revolving Note)

MERGER SUB:

CROSSROADS MERGER SUB, LLC, a Delaware limited liability company

Arion Robbins Secretary

ally | TREATMENT CENTERS HOLDCO,LLC

Deal Name: TR	EATMENT	CENTERS HO	LDCO,LLC	Branc	h Name: Al	ily Ban	k			lisk Book: HC/	AR	
Revolver Faci	lity: Global	Share	13	11	0 /L S				5	V		
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October 22, 2015

Tennessee Health Services and Development Agency Melanie M. Hill 502 Deaderick Street, Andrew Jackson Bldg., 9th Floor Nashville, TN 37243

RE: Crossroads Treatment Center of Tri-Cities, PC - CON application

Ms. Hill:

This letter confirms that Crossroads Treatment Center of Tri-Cities, PC is able and willing to fund the total project for the treatment center at Princeton Road. Crossroads has a confirmed option to purchase the property. The current financial resources of the company are more than enough to cover the land acquisition, development of the building, interior finish, furnishings and initial operating loss for the project.

As of today, all necessary funds are available and being held until the start of the project. I have submitted an additional letter that may be referenced showing the current funds available.

If I can provide additional assistance, please do not hesitate to reach out to me. I can be reached via email at rmccormac@crossroadstreatmentcenters.com or by phone at 864-270-6860.

Sincerely,

Rupert V. McCormac IV, M.D. Chief Executive Officer

Treatment Centers HoldCo, LLC

Attachment C, Economic Feasibility - 6 Fee Schedules



PATIENT FEE AGREEMENT

Before you will be enrolled in the Methadone Therapy Program for OTP patients at Crossroads, you will undergo an intake screening and assessment process including:

- A Physician's Admission Assessment
- Laboratory Tests conducted by a program Nurse
- Completion of all required consents, releases and other program documentation
- An orientation and introduction to our methadone program, program rules and requirements as well as the risks and benefits of methadone-assisted treatment for opioid addiction

The fee associated with this intake process is currently waived for all new or transfer patients.

The dosing fee for the Crossroads Methadone Program is \$14.00 per dose.

Guest dosing fees are as follows:

Set-up: \$25.00

Per dose: \$14.00

All fees must be paid prior to dosing1. All lab work and drug screens that are part of the intake process are included as part of your intake and will be paid for by Crossroads. Crossroads also covers the cost of your first urine drug screen each month. If you request a confirmation of your drug screen results, you must pay the \$20.00 confirmation test fee up front. This \$20.00 will be credited to your account if the confirmation overturns the original results.

A CONTRACTOR AND A CONT	
Additional fees, if applicable, include:	\$10.00 each
Urine Drug Screen (other than the first screen of the month)	
o Buprenorphine	\$10.00 each
O Buprenorphine O Ethyglucuronide (EtG) or Fentanyl	\$15.00 each
Oral Swab (if unable to use urine screen) Confirmation Test (cost to be reimbursed if original test results overturned)	\$20.00 each
Confirmation Test (cost to be reimbursed if original test results overturned)	90 0G
• On-Site Testing Fee:	\$15.00 each
On-Site Testing Fee: Or-Site Testing Fee: Pregnancy or Alcohol or Benzo or DIP or 2-Panel (OPS/OXY)	\$5.00 each
o Pregnancy or Alcohol or Benzo or DIP of 2-Panel (OFS/OXY) o 4-Panel DIP (OPS/OXY/BZP/MTH)	*
Blood Lab Fees:	\$50.00 each
Blood Lab Fees: Annual Labs (annually after the first year's intake lab)	\$45.00 each
o Methadone Peak OR Trough	\$10.00 each
o CBC or CMP or Hepatic Function or King Con HIV	\$30.00 each
TSH or Hepatitis A or Hepatitis B or Hepatitis C of 111 v	\$25.00 each
TB Test redo fee (if test must be re-run due to patient's failure to have first test read in times)	2
• Other:	\$25.00
Other: OVITADONE Lock-box bag with lock Transport (selection A	\$15.00
o Lock-box bag with lock	merican Evaress or
Acceptable forms of payment include cash, debit cards and/or all major credit cards (other than A Discover). Before you elect to prepay for multiple doses, understand that we do not provide refur present, we will hold your balance for use when/if you return to treatment. If you anticipate least reatment, we will have a We receive the right to change our pricing at any time for any rea	nds. If you prepay and leave wing treatment, do not son.
have read, understand and do hereby consent by signature to the above provisions. I understand	mar a copy or and a

p Fee Agreement document will be included in the Patient Information Pack given to me.

	. 8				
Client Signature	11 8			Date	
Cheff Digramm	2		_:	16 570	
Counselor Signatur	·e	7/1		Date	

In order to help you cope with an unforeseen emergency, Crossroads will permit you to charge an amount not to exceed the value of two doses, inclusive of any unpaid "additional fees" as described above. You will not be permitted to carry a deficit balance, inclusive of any unpaid "additional fees" as shous in an amount greater than the value of two doses.

Attachment C, Economic Feasibility - 10(24) Financial Statements

Report on Combined Financial Statements

For the periods from December 23, 2014 through December 31, 2014 (Successor) and January 1, 2014 through December 22, 2014 (Predecessor)

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Inc	dependent Audito	r's Report					********	***********	***********		•	1-2
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LO	mbined Financial	Statements	9		٠,			41				2.0
<u>.</u>	Combined Balan	ce Sheet										3
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	Notes to Combin	ed Financial S	tatement	s			me)		1)			7-15



Independent Auditor's Report

The Members
Crossroads Holding, LLC, Subsidiaries and Associated PCs
Greenville, South Carolina

Report on the Combined Financial Statements

We have audited the accompanying combined balance sheet of Crossroads Holding, LLC, Subsidiaries and Associated PCs ("Successor") as of December 31, 2014 and the related combined statements of operations, changes in members' equity and cash flows for the periods from December 23, 2014 through December 31, 2014 ("Successor period") and from January 1, 2014 through December 22, 2014 ("Predecessor period") and the related notes to the combined financial statements.

Management's Responsibility for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Crossroads Holding, LLC, Subsidiaries and Associated PCs as of December 31, 2014 and the results of its operations and cash flows for the periods from December 23, 2014 through December 31, 2014 and January 1, 2014 through December 22, 2014 in accordance with accounting principles generally accepted in the United States of America.

Elliott Davis Decosimo, LLC

Greenville, South Carolina March 27, 2015

Crossroads Holding, LLC, Subsidiaries and Assoc	lated PCs	w a 5	
Combined Balance Sheet	220 10		, a
As of December 31, 2014			
		a 150	24
Assets		*	
Current assets		an pro-	
Cash and cash equivalents			\$ 474,702
Prepaid expenses		2 20	113,168
Inventories			24,941
Other current assets		n " x" =	56,934
Total current assets			669,745
	Es	W. U.	
Property and equipment, net			851,937
	51	3 " 2 A	88.3
Other assets	* 82		207.600
Capitalized loan fees, net			507,690
Intangible assets, net	I W		11,329,389
Goodwill, net	* * * *	1 T. II.	30,411,520
Total other assets	* II		\$ 43,770,281
Total assets			\$ 43,770,202
		· ·	2 102
Liabilities and Members' Equity		52 08 08	
Current liabilities	0.35	# 0 E	
Accounts payable	y 200 y	9 B B	\$ 228,238
Line of credit	81 38		100,000
Accrued expenses and other current liabilities		a 8a 8	390,624
Senior debt - current portion	A)	* 4	250,000
Total current liabilities	8 3	a	968,862
20	51	iga aki ga a ya	0 5 ,75
Other liabilities	#1 X		9,750,000
Senior debt - net of current portion	8. "		• •
Subordinated debt	a) 55	1 1	16,252,438
Total other liabilities	Type " III	ran ai N	10,232,430
	72 W	ali s * * * * *	26,548,981
Members' equity		, t	\$ 43,770,283
Total liabilities and members' equity	(A) 87		\$ 45,770,20

Combined Statements of Operations

	throug 3:	ber 23, 2014 h December l, 2014 ccessor)	throug 22	nry 1, 2014 h December 2, 2014 decessor)
Revenues	× \$	461,719	\$	15,772,123
2 SS		a y'		
Cost of revenues		251,474		9,377,715
Gross profit	C.	210,245		6,394,408
		0.		
Selling, general and administrative expenses		344,750		3,436,618
Operating (loss) income	1	(134,505)	, A	2,957,790
Other (income) expenses	100	.,	X 10	nee in the
Interest expense		42,300		8,542
Miscellaneous income	7.01	M K 8	# 12" #	(1,749)
Transaction expenses	8 4 2	2,135,268		448,865
Total other expenses	***************************************	2,177,568		455,658
Net (loss) income	\$	(2,312,073)	\$	2,502,132

Combined Statements of Changes in Members' Equity
For the periods from December 23, 2014 through December 31, 2014
and January 1, 2014 through December 22, 2014

4 P.			92	\$	1,139,318
Balance at January 1, 2014 Member distributions		0 5 ₄	141		(2,819,635)
Net income			# S	221 1966a	2,502,132
Balance at December 22, 2014	a B			\$	821,815
		4, " x x p	U # 1		7
Balance at December 23, 2014	² 1 = 5	* 1 T ×	a	\$	·
Issuance of Class A units	ਲ ਤੀ ਕ				14,552,998
Issuance of Class B-1 units	5 ° +e	# 7	*	47.50	10,357,002
Issuance of Class C units	581	8 BI 2 *	25	31 - 2	3,951,000
Issuance of contingent Class B-2 units	1	2 II Z*			(2,312,073)
Net loss	S	2 n m	2 2	5	26,548,981
Balance at December 31, 2014		- 2	14 100		

Crossroads Holding, LLC, Subsidiaries and Associated PCs Combined Statements of Cash Flows

	12	
	Deceber 23, 2014 through December	January 1, 2014 through December
	31, 2014	22, 2014
	(Successor)	(Predecessor)
Operating activities		
Net (loss) income	\$ (2,312,073)	\$ 2,502,132
Adjustments to reconcile net (loss) income to net cash		22 7
(used for) provided by operating activities:	a 2 51	A 6
Interest paid-in-kind	2,438	
Depreciation and amortization	165,013	215,681
Changes in operating assets and liabilities:		
Prepaid expenses	(12,967)	(45,425)
Inventories	2,721	(1,663)
Other current assets		(8,704)
Accounts payable	121,383	29,762
Deferred rent		(23,478)
Accrued expenses and other current liabilities	228,321	278,869
Net cash (used for) provided by operating activities	(1,805,164)	2,947,174
ust cast fases to the pareer of observing agreement		
to the seast later	E, VIII jii	1, 0, 10
Investing activities		(301,443)
Purchases of property and equipment	(38,764,786)	8
Cash paid for net assets acquired	(38,764,786)	(301,443)
Cash used for investing activities	1 2 1 2 1	
Financing activities	100,000	(134,518)
Borrowings (payments) on line of credit	200,000	(2,819,635)
Member distributions	(510,000)	. A 16 - 540 - 55
Capitalized loan fees	10,000,000	V
Proceeds from senior debt	6,500,000	
Proceeds from sub debt	14,552,998	
Issuance of Class A units	10,357,002	٤,
Issuance of Class B-1 units	10,557,002	
Issuance of Class Cunits	41,000,054	(2,954,153)
Net cash provided by (used for) financing activities		(308,422)
Net increase (decrease) in cash	430,104	(July-144)
	44.500	1,059,116
Cash and cash equivalents, beginning of period	44,598	\$ 750,694
Cash and cash equivalents, end of period	\$ 474,702	7.30,034
A NAME OF A STATE OF A	e 2	2 0 1 n s
Supplemental cash flow information	<u>₩</u> 1997(±	0.542
Cash paid for interest	\$ -	\$ 8,542
50 NO NO A A	n w	E 0
Non cash financing activity	7	
Issuance of contingent Class B-2 units	\$ 3,951,000	\$ -
		T

Notes to Combined Financial Statements December 31, 2014

Note 1. Organization and Basis of Presentation

Organization:

Treatment Centers HoldCo, LLC ("HoldCo"), a South Carolina limited liability company, was formed on October 1, 2007. As of December 31, 2014, HoldCo has thirteen wholly-owned separate limited liability companies (the "LLCs"). Each LLC is organized with an associated professional corporation ("PC") for purposes of conducting operations. Each PC is owned solely by one of the members of HoldCo, who is a licensed medical doctor. The LLC for each center is associated with the PC for each center by virtue of a Services Agreement whereby the LLC contracts to provide various management services for the benefit of the PC. The PC for each center owns all licenses for that center. The PC for each center is solely responsible for conducting all medical and clinical practices at that center. HoldCo and its wholly-owned LLCs and Associated PCs are collectively referred to as the "Company". The Company is engaged in the operation and management of medical treatment centers for opioid addiction. As of December 31, 2014 the Company had nine treatment center locations in operation across four states (South Carolina, North Carolina, Georgia and Virginia) and is headquartered in Greenville, South Carolina.

On December 23, 2014 the Company entered into an Agreement and Plan of Merger (the "Agreement") with Crossroads Holding, LLC (the "Parent"), a Delaware limited liability company, and Crossroads Merger Sub, LLC ("Merger Sub"), a Delaware limited liability company. The Parent, Merger Sub and the Company effectuated a merger of Merger Sub with and into the Company in accordance with the Agreement. Members of Merger Sub agreed to a purchase price of approximately \$45,438,000 in order to acquire an interest in the Company. Merger Sub ceased to exist as a result of the merger. Pursuant to the Agreement, the merger acquisition did not include the associated PCs, which remained solely owned by one of the members of HoldCo, who is a licensed medical doctor. This merger qualified as a business combination with respect to ASC 805. This transaction is further discussed in Note 3.

Basis of presentation:

The financial information for the period from December 23, 2014 through December 31, 2014 (Successor period) is not comparable to the financial information for the period from January 1, 2014 through December 22, 2014 (Predecessor period) because of the new basis of accounting resulting from the Agreement on December 23, 2014. These combined financial statements are prepared in accordance with accounting principles generally accepted in the United States of America. Unless otherwise noted, the accounting policies described were applied by both the Predecessor for the Predecessor period and by the Successor for the Successor period, for all periods presented. The combined financial statements reflect all adjustments that are necessary for presentation of the results of operations for the periods presented.

Note 2. Summary of Significant Accounting Policies and Activities

Principles of presentation:

The combined financial statements include the accounts of the Company and its wholly-owned LLCs of (i) Crossroads of Asheville Management Co., LLC, (ii) Crossroads of Calhoun Management Co., LLC, (iii) Crossroads of Charleston Management Co., LLC, (iv) Crossroads of Columbia Management Co., LLC, (v) Crossroads of Danville Management Co., LLC, (vi) Crossroads of Greensboro Management Co., LLC, (vii) Crossroads of Greenville Management Co., LLC, (viii) Crossroads of LaGrange Management Co., LLC, (ix) Crossroads of Myrtle

Notes to Combined Financial Statements

December 31, 2014

Note 2. Summary of Significant Accounting Policies and Activities, Continued

Use of estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue recognition:

The Company recognizes revenue on a per patient basis as daily treatments are provided. The Company charges a fixed fee to each patient to receive their daily dosage amount for treatment. The fixed fee varies by treatment center and is based on market conditions. Each center only accepts cash or credit card payments at the time of service.

Cash and cash equivalents:

The Company places its cash deposits with high quality financial institutions. At times, the Company's cash deposits may be in excess of the Federal Deposit Insurance Corporation insurance limits. Cash and cash equivalents include credit card receivables which are accounted for as deposits in transit.

Property and equipment:

Property and equipment are stated at cost. Expenditures for repairs and maintenance which do not improve or extend the useful lives of assets are charged to expense. Depreciation of property and equipment is calculated using the straight-line method for financial reporting purposes. Leasehold improvements are amortized over the shorter of the estimated useful lives or the period of the respective lease, including applicable lease extensions available to the Company.

Notes to Combined Financial Statements

December 31, 2014

Note 2. Summary of Significant Accounting Policies and Activities, Continued

The estimated useful lives are as follows:

Computers and software Medical and other equipment Leasehold improvements 5-7 years 5-7 years Lesser of useful life or term of lease (including available extensions)

Impairment of long-lived assets:

The Company analyzes the carrying value of long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the assets to undiscounted future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets.

Goodwill:

Goodwill arising from business combinations represents the excess of the purchase price over the fair value of the assets acquired. Beginning in 2013, accounting principles generally accepted in the United States of America allow nonpublic entities the alternative of amortizing goodwill on a straight-line basis for a period of up to 10 years. The Company's goodwill is now being amortized over a period of 10 years. The carrying value of goodwill is reviewed when circumstances and events indicate that the asset (assessed at the total-entity level) might be impaired and the undiscounted cash flows estimated to be generated by the Company are less than the carrying value of these assets. If the estimated fair value is less than book value, then impairment is deemed to have occurred. In the opinion of management, there was no impairment for the year ended December 31, 2014. Amortization expense was approximately \$74,000 for the Successor period. Future amortization is expected to be approximately \$3,048,000 for each of the years 2015 through 2019 and approximately \$15,168,000 thereafter.

Intangibles:

Intangible assets consist of trade names, licenses and accreditation, know-how and trade secrets and non-compete assets and are being amortized on a straight-line basis over estimated lives of one and a half to eight years. The Company assesses intangible assets for possible impairment whenever events or circumstances indicate that the carrying value may not be recoverable.

Fair value of assets and liabilities:

Under accounting principles generally accepted in the United States of America, the carrying values of all of the Company's financial instruments approximate their fair values. The Company applies the provisions of guidance related to fair value for certain non-financial assets and liabilities. The non-financial assets and liabilities include items such as long-lived assets and goodwill.

Crossroads Holding, LLC, Subsidiaries and Associated PCs Notes to Combined Financial Statements December 31, 2014

Note 2. Summary of Significant Accounting Policies and Activities, Continued

income taxes:

As a limited liability company, federal and state income taxes are levied on the individual members rather than the Company. Therefore, no provision for income taxes is reflected in these financial statements. The Financial Accounting Standards Board ("FASB") has a standard clarifying accounting for uncertainty in income taxes and prescribed a comprehensive model for recognizing, measuring, presenting and disclosing in the financial statements tax positions taken or expected to be taken on a tax return. The Company has adopted this standard in its financial statements. The adoption did not have a material impact on the Company's financial position or results of its operations. The Company is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. When incurred, interest and penalties associated with unresolved income tax positions are included in other income and expense. The closed years for the Company include all years prior to 2011.

Capitalized loan fees:

Debt issuance costs are amortized ratably over the life of the respective debt using a method that approximates the interest method. Amortization expense was approximately \$2,000 for the Successor period.

As of December 31, 2014 estimated future amortization expense of capitalized loan fees is as follows:

2015		\$ 95,500
2016		95,500
2017		95,500
	N 2 2	95,500
2018	225 to 4 (4	93,976
2019 Thereafter		31,714
Total		\$ 507,690

Advertising:

Advertising costs are charged to operations when incurred. Advertising and marketing expenses totaled approximately \$6,000 for the Successor period and approximately \$166,000 for the Predecessor period.

Recently issued accounting pronouncements:

In December 2013, the FASB issued Accounting Standards Update No. 2014-02, Accounting for Goodwill, which amends Accounting Standards Codification 350, Intangibles - Goodwill and Other. Under the amended guidance, a nonpublic entity is able to amortize goodwill on a straight-line basis over a period of ten years or over a shorter period if the company demonstrates that another useful life is more appropriate. The standard is effective for annual periods beginning after December 15, 2014, and interim periods within annual periods beginning after December 15, 2015, with early adoption permitted. The Company early adopted this standard effective January 1, 2014.

Notes to Combined Financial Statements

December 31, 2014

Note 2. Summary of Significant Accounting Policies and Activities, Continued

Subsequent events:

The Company has evaluated subsequent events through March 27, 2015, the date on which these combined financial statements were available for issuance.

Note 3. Merger Acquisition

The following is a summary of the final allocation of the purchase price of the merger acquisition:

The state of the s	28.10
Purchase price	\$ 45,361,054
Less acquisition costs paid	2,135,268
Less capitalized loan fees paid	510,000
ress capitalisen loan tees bain	42,715,786
Less fair value of contingent B-2 earnout units	3,951,000
Cash paid for net assets acquired	\$ 38,764,786
Cash palu for het assets acquires	
Assets acquired:	8 6 8 7.
Cash	\$ 44,598
Prepaid rent expenses	100,201
Inventories	27,662
Other current assets	56,934
Property and equipment	857,574
Intangible assets	11,412,700
Goodwill	30,485,275
Total assets acquired	\$ 42,984,944
Total assets acquired	5
Liabilities assumed:	P 4 8
Accounts payable	\$ 106,856
Accrued expenses and other liabilities	162,302
Total liabilities assumed	269,158
Total liabilities addition	\$ 42,715,786
Note 4. Property and Equipment	O(10
140te 4. Property and Edulyment	8.08
Property and equipment at December 31, 2014 consists of the following:	
Property and equipment at december 32, 552 . Tomas	
Computers and software	\$ 74,878
Medical and other equipment	62,381
Leasehold improvements	720,315
reasemon unbrokements	857,574
Less: accumulated depreciation	5,637
Less: accumulated debi-eciation	\$ 851,937
	7

Depreciation expense on property and equipment charged to operations was approximately \$6,000 for the Successor period and approximately \$216,000 for the Predecessor period.

Crossroads Holding, LLC, Subsidiaries and Associated PCs Notes to Combined Financial Statements

December 31, 2014

Note 5. Intangibles

	Gross	Accumulated Amortization	Net
Trade name Licenses and accreditation Know-how and trade secrets Non-compete agreements	\$ 5,052,400 3,690,900 2,433,200 236,200 \$ 11,412,700	\$ 15,279 59,531 7,358 1,143 \$ 83,311	\$ 5,037,121 3,631,369 2,425,842 235,057 \$ 11,329,389

Intangible asset amortization expense for the Successor period totaled approximately \$83,000. Future amortization is as follows:

2015	Ŕ			2 90	1 y y	\$	4,614,309 982,940
2016	*				0 12	Fac.	982,940
2018				si ²		8	982,940 981,797
2019 Thereal	ter	5 9	6 1	(*	t) Att	15	2,784,463
THE CU.			4 4	-#	72_	. \$	11,329,389

Note 6. Line of Credit and Senior Note Payable

In connection with the acquisition, the Company entered into a Loan and Security Agreement ("Loan Agreement") dated December 23, 2014. The Loan Agreement includes a Line of Credit (or Revolving Loan) and Senior Debt (or Term Loan). The Loan Agreement limits the amount that the Company may borrow with respect to the Line of Credit based on certain EBITDA metrics multiplied by a Total Leverage Ratio, as defined. The maximum amount that may be borrowed under the Line of Credit arrangement is \$5,000,000. Interest is calculated using a Base Rate or LIBOR plus an Applicable Margin, as defined (all-in rate of 7.25% as of December 31, 2014).

The Loan Agreement also includes Senior Debt in the amount of \$10,000,000. Interest is calculated using a Base Rate or LIBOR plus an Applicable Margin, as defined (all-in rate of 6.00% as of December 31, 2014). As of December 31, 2014, \$10,000,000 was outstanding on the Senior Debt. Beginning on March 31, 2015 the Senior Debt requires quarterly principal and interest payments. Future principal payments, which are payable quarterly, as of December 31, 2014 were as follows:

2015	* 35		€ 5	N 8 100	g = 12		\$	250,000 250,000
2016		se i		× 9	e a n	*	100	500,000
2017 2018		- E	8 E g "	3.5	8		50 m	500,000
2019			19		TIN I	. v	-	8,500,000
2013			Tel 12 1	7	Ø		\$	10,000,000

Notes to Combined Financial Statements

December 31, 2014

Note 6. Line of Credit and Senior Note Payable, Continued

The Company incurred interest expense of approximately \$15,000 during the Successor period related to the Line of Credit (including the unused revolver fee) and Senior Debt. The Loan Agreement includes certain covenants for which the Company must be in compliance, as defined. Substantially all of the Company's assets are pledged as collateral with respect to the Loan Agreement.

Prior to the acquisition on December 23, 2014, the Company had a Line of Credit from a financial institution with a borrowing capacity of \$200,000 and an annual interest rate of 6.00%. The Company incurred interest expense of approximately \$8,000 during the Predecessor period. This Line of Credit was terminated as a result of the acquisition and all outstanding amounts were repaid prior to the acquisition.

Note 7. Subordinated Debt

In connection with the acquisition, the Company entered into a Subordinated Note Purchase Agreement ("Sub Debt Agreement") with a related party on December 23, 2014. The Subordinated Debt bears interest at a fixed rate of 17.19%, of which 1.5% is treated as paid-in-kind, from December 23, 2014 through January 22, 2015. From January 23, 2015 through the maturity date the Subordinated Debt bears interest at a fixed rate of 13.5%, of which 1.5% is treated as paid-in-kind. The outstanding amount of the Subordinated Debt as of December 31, 2014 was \$6,502,438, which includes \$2,438 of paid-in-kind interest. The Subordinated Debt is due to mature on December 23, 2020, at which point the entire outstanding principal amount, including all accrued interest, will become due.

The Company Incurred interest expense of approximately \$28,000, of which \$2,438 has been added to the outstanding subordinated note payable principal balance and the remaining amount has been included in accrued expense and other current liabilities at December 31, 2014, during the Successor period related to the Sub Debt. The Sub Debt Agreement includes certain covenants for which the Company must be in compliance, as defined. Substantially all of the Company's assets are pledged as collateral with respect to the Sub Debt Agreement. In the event of a termination, liquidation or other similar event of the Company, the holders of the Senior Debt have priority over the holders of Sub Debt, as described in the Sub Debt Agreement.

Notes to Combined Financial Statements

December 31, 2014

Note 8. Operating Leases

The Company leases premises under operating lease agreements. Many of the leases contain extension or renewals options that can be exercised in accordance with each respective lease agreement. Rent expense under operating leases is recognized on a straight-line basis over the lease term, after consideration of lease incentives and scheduled rent escalations, which totaled approximately \$773,000 during the Predecessor period. Rent expense during the Successor period was not significant. Differences between rental expense and actual rental payments are recorded as a deferred rent liability, which was not material as of December 31, 2014. As of December 31, 2014, for operating leases with an initial or remaining non-cancelable term in excess of one year, the future minimum lease payments under such leases are as follows:

į	2015	e e			10	× J	\$	767,655
35	2016	4 (4)	3.5			. 3		686,271
	2017	· *4	10			53 [±]	9 6	657,543
-	2018	(a) ×):			300		433,114
	2019				-	, j		321,611
×	Therea	fter	21 K 1 1 1	3 2		12	-	356,188
			ease payments			we ³⁵⁵	\$	3,222,382

The Company leases certain office equipment under operating leases. The Company incurred office equipment rent expense of approximately \$18,000 during the Predecessor period. Rent expense during the Successor period was not significant. As of December 31, 2014, for operating leases with an initial or remaining non-cancelable term in excess of one year, the future minimum lease payments under such leases are as follows:

									31 10		
2015	1							- 25	\$		18,738
	1	g.		20		= 37%	100				18,738
2016		· .		. 5 "	. "				2.3		18,738
2017		7			2				w.	-	/500 Sept. 1875
2018		2.0				3,5			-	0.	5,986
	l min	imum leas	e paym	ents	1	12			\$	<u>.</u>	62,200

Note 9. Members' Equity

Member's equity consists of Class A Units, Class B-1 Units, Class B-2 Units and Class C Units as of December 31, 2014, all of which were issued in connection with the merger acquisition discussed in Note 1. The Company issued 1,455,300 Class A Units, which have a par value of \$10 and earn a preferred return of 8% per annum, compounded annually. Class A Units also have preferential treatment to all other classes of units upon liquidation of the Company. The Company issued 1,035,700 Class B-1 Units, which have a par value of \$10 and earn a preferred return of 8% per annum, compounded annually. The Company issued 424,000 Class B-2 Units which have a par value of \$10. The Company used a probability weighted expected value method to determine the fair value of the contingent units which amounted to \$3,951,000. The Company has included this value as a component of the merger acquisition purchase price in Note 3. These units are contingent and can only be earned upon the Company achieving cumulative center-level EBITDA during the combined years of 2015 and 2016, as defined. The Class B-2 Units shall not be redeemed prior to the Company's senior note payable and subordinated note payable being paid in full. The Company issued 2,491,000 Class C Units. Class C Units are subordinate in preference to the Class A Units, Class B-1 Units and Class B-2 Units.

Notes to Combined Financial Statements
December 31, 2014

Note 9. Members' Equity, Continued

As of December 31, 2014 the Class A, Class B-1, Class B-2 and Class C units consisted of the following:

Class A Units — 1,455,300 units authorized, issued and outstanding Class B-1 Units — 1,035,700 units authorized, issued and outstanding Class B-2 Units — 424,000 units authorized, issued and outstanding Class C Units — 2,491,000 units authorized, issued and outstanding

In connection with the merger acquisition discussed in Note 1, on December 23, 2014 the Company granted three members both Class P-1 units and Class P-2 units that both have participation threshold of \$.01 per unit. The Company granted 129,273 P-1 units that shall vest ratably over five years on a quarterly basis, with vesting to occur on the last day of each calendar quarter. The initial vesting date shall be March 31, 2015. The P-1 units are service-based awards and compensation expense should be recognized ratably over the vesting period based on the fair value of the awards on the grant date. The Company did not recognize any compensation expense during the Successor period for the P-1 units as they do not begin to vest until 2015. The Company granted 198,882 P-2 units that shall vest only in the event of a sale of the Company and certain internal performance metrics are achieved, as defined in the agreement. Due to the uncertainty of these market and performance conditions, the Company will not recognize any compensation expense related to these awards until such an event occurs. No P-1 units or P-2 units were forfeited during the Successor period. The unpaid preferred return related to the Class A and Class B-1 Units was approximately \$49,000.

Note 10. Employee Benefits

Employees of the Company may participate in the Treatment Centers HoldCo 401(k) Plan ("the Plan") whereby the employee may elect to make contributions pursuant to a salary agreement. An employee must be 21 years of age and have completed at least one year of service in order to participate in the Plan. The Company may make a discretionary matching contribution equal to a uniform percentage or dollar amount of the participants' elective deferrals. The Company determines the formula for the discretionary matching contributions. Matching contributions to the Plan were approximately \$22,000 for the Predecessor period. There were no matching contributions made during the Successor period. Participants vest 100% in the Company's matching contributions after three years of service, as defined.

Note 11. Commitments and Contingencies

The Company is involved in various legal actions arising in the normal course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the Company's combined financial position or results of operations.

Attachment C, Contribution to the Orderly Development Of Health Care - 3

Dr. Paul Pyles' Curriculum Vitae



Confidential Resume

This information was furnished by the candidate and is submitted for consideration on a company fee paid basis only. Please contact:

David Townsend, Healthcare dtownsend@fgp.com | 864.553.7224

Paul Pyles, M.D.
741 Orleans Circle
Ridgeland, Mississippi
(601) 365-9055
paulpyles@aol.com

Professional Experience

Staff Psychiatrist, Central Mississippi Medical Center, Jackson, MS February 2014 to Present

Staff Psychiatrist, River Region Health System, Vicksburg, MS Medical Director of Geriatric Psychiatry Unit Psychiatric Consultant to Marian Hill Chemical Dependency Unit July 2012 to January 2014

Staff Psychiatrist, Peninsula Hospital (a Division of Parkwest Medical Center), Knoxville, TN June 2010 to May 2012

Medical Director, DRD Methadone Clinic (Behavioral Health Group), Knoxville, TN An outpatient program providing treatment for adults with opiate dependence October 2011 to July 2012

Staff Psychiatrist, Smoky Mountain Lodge (Pasadena Villa), Sevierville, TN A residential treatment facility providing treatment for adults with mental illness and addiction December 2011 to June 2012

Medical Director, Camelot Schools, Kingston, TN A residential treatment program for children and adolescents March 2010 to December 2010

Staff Psychiatrist, Wesley Medical Center, Hattiesburg, MS January 2009 to March 2010

Staff Psychiatrist, Pensacola Naval Hospital (Gulfport, MS Clinic)
December 2007 to December 2008

Staff Psychiatrist, Chief of Psychiatry Service, Gulf Coast Medical Center/ Gulf Oaks Hospital Biloxi, MS April 1999 to December 2007 (closed after Hurricane Katrina)

Staff Psychiatrist, Chief of Medical Staff, South Mississippi State Hospital, Purvis, MS December 2005 to November 2006

FGP Candidate Resume Page 2 David Townsend, Healthcare dtownsend@fgp.com | 864.553.7224

Staff Psychiatrist, Chief of Psychiatry Service, Biloxi VA Medical Center, Biloxi, MS September 1995 to April 1999

Faculty Appointments

Clinical Assistant Professor of Medicine at Tulane University, 1998 Clinical Assistant Professor of Medicine at the University of South Alabama, 1997

Military Experience

1990-1995	Served on Active Duty in the Medical Corps of the United States Air Force	
1994-1995	Psychiatric Consultant to Joint Task Force Command during Operation Safe Haven in The Republic of Panama, a Humanitarian Mission	;
1993-1995	Chief of Mental Health Services at the 5 th Medical Group Regional Hospital at	o.
1992-1993	Chief of Mental Health Services at the 45 th Medical Group Hospital at Patrick AFB, Florida	:
20	Awarded the Defense Meritorious Service Medal and the Air Force Achievement Medal	

Education

Psychiatry Residency, Harding-OSU Hospital, Columbus, OH July 1989 to June 1992

Internal Medicine Internship, Riverside Methodist Hospital, Columbus, OH July 1988 to June 1989

The Ohio State University College of Medicine, Columbus, OH September 1984 to June 1988, MD Degree Recipient of the Department of Family Medicine Award for Honors in Family Medicine

Xavier University, Cincinnati, OH September 1981 to June 1988, Bachelor's Degree

Certification/Licensure

Board Certified in Adult Psychiatry by the American Board of Psychiatry & Neurology January 1994

Board Certified in Addiction Medicine by the American Board of Addiction Medicine December 2012

Active Licensure in Ohio, Mississippi, Tennessee & Georgia

Attachment C, Contribution to the Orderly Development Of Health Care

Proof of Publication

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Recrestion Vehicles 920

Legals

920 Recreational Vehicles



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TANDEM Axie Dump Truck (nurs pood) Gell after 6 pm. 423-765-1632

Anthony R. Steele, Truite

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Comas, tiant emercial or pa-senger side mar door, con da able, 4 dr. automatic, 120,00 miles, CALL 423-239-3521 or 423-335-2017

930 Motorcycles & ATV's 960 Accessories

national with a Cleanur Ad. List your bushes acretion here dolly:

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WALLAGE USED CARS

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Notice Letters to Government Officials



waller

Waller Lansden Dortch & Davis, LLP 511 Union Street, Suite 2700 P.O. Box 198966 Nashville, TN 37219-8966

Kim Harvey Looney 615.850.8722 direct kim.looney@wallerlaw.com 615.244.6380 main 615.244.6804 fax wallerlaw.com

November 6, 2015

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

Johnson City Mayor's Office Attn: Mayor Clayton Stout 1301 Iris Avenue Johnson City, TN 37601

Re: Crossroads Treatment Centers CN1504-015

Certificate of Need

Dear Mayor Stout:

This letter will serve as notice (pursuant to Tennessee Code Annotated 68-11-1607(c)(3)) that our client, Crossroads Treatment Centers filed a Certificate of Need with the Tennessee Health Services and Development Agency ("HSDA") on November 6, 2015 for the establishment of a non-residential substitution based treatment center for opiate addiction to be located on Princeton Road, where a street address has not yet been assigned, between Susannah Street and Wesley Street, on land that is currently vacant next to the Princeton Medical Center building, Johnson City (Washington County), Tennessee 37604. Attached is a copy of the Letter of Intent as filed with the HSDA.

If you have any questions, please contact me at 615-850-8722 or by email at kim.looney@wallerlaw.com.

Sincerely,

Kim Harvey Looney

waller

Waller Lansden Dortch & Davis, LLP 511 Union Street, Suite 2700 P.O. Box 198966 Nashville, TN 37219-8966

Kim Harvey Looney 615.850.8722 direct kim Jooney@wallerlaw.com 615.244.6380 main 615.244.6804 fax wallerlaw.com

November 6, 2015

<u>VIA CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

Dan Eldridge Mayor Washington County 100 East Main Street Jonesborough, TN 37659

Re: Crossroads Treatment Centers CN1504-015

Certificate of Need

Dear Mayor Eldridge:

This letter will serve as notice (pursuant to Tennessee Code Annotated 68-11-1607(c)(3)) that our client, Crossroads Treatment Centers filed a Certificate of Need with the Tennessee Health Services and Development Agency ("HSDA") on November 6, 2015 for the establishment of a non-residential substitution based treatment center for opiate addiction to be located on Princeton Road, where a street address has not yet been assigned, between Susannah Street and Wesley Street, on land that is currently vacant next to the Princeton Medical Center building, Johnson City (Washington County), Tennessee 37604. Attached is a copy of the Letter of Intent as filed with the HSDA.

If you have any questions, please contact me at 615-850-8722 or by email at kim.looney@wallerlaw.com.

Sincerely, Hi_ H. Soone/

Kim Harvey Looney



Waller Lansden Dortch & Davis, LLP 511 Union Street, Suite 2700 P.O. Box 198966 Nashville, TN 37219-8966 615.244.6380 main 615.244.6804 fax wallerlaw.com

Kim Harvey Looney 615.850.8722 direct kim.looney@wallerlaw.com

November 6, 2015

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

Representative James "Micha" Van Huss Tennessee General Assembly District 6 301 6th Avenue North Suite 23 Legislative Plaza Nashville, TN 37243

> Re: Crossroads Treatment Centers CN1504-015 Certificate of Need

Dear Representative Van Huss:

This letter will serve as notice (pursuant to Tennessee Code Annotated 68-11-1607(c)(3)) that our client, Crossroads Treatment Centers filed a Certificate of Need with the Tennessee Health Services and Development Agency ("HSDA") on November 6, 2015 for the establishment of a non-residential substitution based treatment center for opiate addiction to be located on Princeton Road, where a street address has not yet been assigned, between Susannah Street and Wesley Street, on land that is currently vacant next to the Princeton Medical Center building, Johnson City (Washington County), Tennessee 37604. Attached is a copy of the Letter of Intent as filed with the HSDA.

If you have any questions, please contact me at 615-850-8722 or by email at kim.looney@wallerlaw.com.

Sincerely,

Kim Harvey Looney



Waller Lansden Dortch & Davis, LLP 511 Union Street, Suite 2700 P.O. Box 198966 Nashville, TN 37219-8966

kim.looney@wallerlaw.com

ashville, TN 37219-8966

Kim Harvey Looney
615.850.8722 direct

615.244.6380 main 615.244.6804 fax wallerlaw.com

November 6, 2015

<u>VIA CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

Senator Rusty Crowe Tennessee General Assembly District 3 301 6th Avenue North Suite 8 Legislative Plaza Nashville, TN 37243

808 East 8th Avenue Johnson City, TN 37601

> Re: Crossroads Treatment Centers CN1504-015 Certificate of Need

Dear Senator Crowe:

This letter will serve as notice (pursuant to Tennessee Code Annotated 68-11-1607(c)(3)) that our client, Crossroads Treatment Centers filed a Certificate of Need with the Tennessee Health Services and Development Agency ("HSDA") on November 6, 2015 for the establishment of a non-residential substitution based treatment center for opiate addiction to be located on Princeton Road, where a street address has not yet been assigned, between Susannah Street and Wesley Street, on land that is currently vacant next to the Princeton Medical Center building, Johnson City (Washington County), Tennessee 37604. Attached is a copy of the Letter of Intent as filed with the HSDA.

If you have any questions, please contact me at 615-850-8722 or by email at kim.looney@wallerlaw.com.

Sincerely, Din 2. Looney

Kim Harvey Looney



Waller Lansden Dortch & Davis, LLP 511 Union Street, Suite 2700 P.O. Box 198966 Nashville, TN 37219-8966

P 615.244.6380 main 615.244.6804 fax wallerlaw.com

Kim Harvey Looney 615.850.8722 direct kim.looney@wallerlaw.com

November 6, 2015

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

Congressman Phil Roe U.S. Representative Tennessee District 1 Higher Education Building 205 Revere Street Kingsport, TN 37660

1609 Walters State CC Drive Suite 4 Morristown, TN 37813

Re: Crossroads Treatment Centers CN1504-015

Certificate of Need

Dear Congressman Phil Roe:

This letter will serve as notice (pursuant to Tennessee Code Annotated 68-11-1607(c)(3)) that our client, Crossroads Treatment Centers filed a Certificate of Need with the Tennessee Health Services and Development Agency ("HSDA") on November 6, 2015 for the establishment of a non-residential substitution based treatment center for opiate addiction to be located on Princeton Road, where a street address has not yet been assigned, between Susannah Street and Wesley Street, on land that is currently vacant next to the Princeton Medical Center building, Johnson City (Washington County), Tennessee 37604. Attached is a copy of the Letter of Intent as filed with the HSDA.

If you have any questions, please contact me at 615-850-8722 or by email at kim.looney@wallerlaw.com.

Sincerely,

Kim Harvey Looney

It, Loone

AFFIDAVIT

STATE OF TENNESSEE
COUNTY OF DAVIDSON

Kim H. Looney, being first duly sworn, says that he/she is the Applicant named in this application or his/her/its lawful agent, that this project will be completed in accordance with the application, that the applicant has read the directions to this application, the Rules of the Health Services and Development Agency, and T.C.A. § 68-11-1601, et seq., and that the responses to this application or any other questions deemed appropriate by the Health Services and Development Agency are true and complete.

SIGNATURE/TITLE

Sworn to and subscribed before me this 6th day of November, 2015 a Notary Public in and for the County/State of Tennessee.

NOTARY PUBLIC

My commission expires, January 8, 2019.



Supplemental #1 -COPY-

Crossroads Treatment
Centers

CN1511-048

Waller Lansden Dortch & David Prember 24, 380 main 511 Union Street, Suite 2700
Nashville, TN 37219:8966

12:24 pmallerlaw.com

Kim Harvey Looney 615.850.8722 direct kim.looney@wallerlaw.com

November 20, 2015

VIA HAND DELIVERY

waller

Phillip M. Earhart
Health Services Development Examiner
Health Services and Development Agency
Andrew Jackson Building
502 Deaderick Street
9th Floor
Nashville, TN 37243

Re: Crossroads Treatment Centers CN1511-048

Supplemental Responses

Dear Phillip:

This letter is submitted as the supplemental response to your letter dated November 16, 2015, wherein additional information or clarification was requested regarding the above-referenced CON application.

1. Section A, Applicant Profile, Item 1

The applicant's address with a Zip code of 37604 is noted. However, it appears the correct Zip code is 37601. Please clarify, revise, and resubmit replacement pages.

Response: An address was not available at the time of filing; the zip code was provided by the seller of the property. When the Applicant applied for a zoning permit, the Johnson City Planning Division provided an address. The correct address is 413 Princeton Road, Johnson City, TN 37601. Please see replacement page 1 included as Attachment A-Applicant Profile, Item 1, which also corrects the zip code.

2. Section A, Applicant Profile, Item 3

It is noted Crossroads Treatment Centers of Tri-Cities, PC's address is an unaddressed location on Princeton Road, Johnson City, TN. However, the Tennessee Secretary of State lists the principal office and mailing address of Crossroads Treatment Center of Tri-Cities, PC as 105 N. Spring Street, STE 109, Greeneville, SC 29601-2859. In addition, the management agreement also lists the above Greeneville address. Please clarify.

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November 20, 2015 12:24 pm

waller

Phillip M. Earhart Health Services Development Examiner November 20, 2015 Page 2

Response: The correct address is the Greenville, SC address. This information has also been corrected on page one of the application, included in <u>Attachment A, Applicant Profile, Item 1</u>, referenced above.

The Owner of the applicant is noted as Crossroads Treatment Centers (plural) of Tri-Cities, PC. However, the entity is registered with the Tennessee Secretary of State as Crossroads Treatment Center (singular) of Tri-Cities, PC. Please clarify.

Response: The correct name is Crossroads Treatment Center of Tri- Cities, PC, as stated in the Secretary of State filing.

3. Section A, Applicant Profile, Item 4

The management structure chart is noted. However, please provide the referenced schedule of members who own Crossroads Holdings, LLC.

Response: The members of Crossroads Holdings, LLC who own more than 5% are included in Attachment A, Applicant Profile, Item 4.

4. Section A, Applicant Profile, Item 5

Please identify the members of the management entity and each member's ownership percentage for those members with 5% or more ownership interest.

Response: The management entity is 100% owned by Treatment Centers HoldCo, LLC, which in turn is 100% owned by Crossroads Holding, LLC.

The management agreement's effective date is January 13, 2011 is this correct? Please clarify.

Response: See corrected DRAFT Management Agreement in included in Attachment A-Applicant Profile, Item 5. This agreement cannot be finalized until the project nears its completion date. A draft of the agreement is provided to show projected content, scope, structure, and other terms associated with the management of the facility.

It appears the management agreement in the application has the incorrect proposed location and the incorrect parties listed on the signature page. Please provide the correct management agreement to match the current application submitted and also provide the referenced exhibits A-D. The draft management agreement should at least contain the anticipated scope of management services to be provided, the anticipated term of the agreement, and the anticipated management fee payment methodology and schedule.

Response: See corrected DRAFT Management Agreement as <u>Attachment A-Applicant Profile</u>, <u>Item 5</u>. This agreement cannot be finalized until the project nears its completion date. A draft of

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November 20, 2015 12:24 pm



Phillip M. Earhart Health Services Development Examiner November 20, 2015 Page 3

the agreement is provided to show projected content, scope, structure, and other terms associated with the management of the facility.

In the management agreement Crossroads Treatment Center of Tri-Cities, P.C. is listed with a principal business address of 2412 Susannah Street, Units 3, 4 and 5 Johnson City, TN. Please clarify if this is correct.

Response: See corrected DRAFT Management Agreement included as <u>Attachment A-Applicant</u> Profile, Item 5.

5. Section A, Applicant Profile, Item 6

The Commercial Purchase and Sale Agreement with Calhoun Real Estate, LLC listed as the buyer and Mountain States Health Alliance listed as the seller are noted. However, please provide documentation that Crossroads Treatment Centers of Tri-Cities, PC has legal interest in the property.

Response: Calhoun Real Estate is acting as the purchaser for the Applicant. Please see an Assignment and Assumption Agreement included in <u>Attachment A, Applicant Profile, Item 6</u>.

Please revise the Commercial Purchase and Sale Agreement to reflect the correct Zip Code of the property and submit a clearer copy of page 2 of the "Addendum to the Commercial Purchase and Sale Agreement".

Response: The Applicant's agent has requested that the seller initial the change for the correct zip code, but may not receive the correction. The seller and the purchaser are clear on what property is being purchased, and the document is legally binding, regardless of the incorrect zip code. A corrected copy of the Commercial Purchase and Sale Agreement with a more legible copy of the Addendum is included as <u>Attachment A</u>, <u>Applicant Profile</u>, <u>Item 6</u>.

6. Section B, Project Description, Item 1

The executive summary is noted. However, please list each of the following topics and provide a brief description underneath each:

- Brief description of proposed services and equipment
- Ownership structure
- Service area
- Need
- Existing Resources
- Project Cost
- Funding Financial Feasibility, and

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SUPPLEMENTAL #1

November 20, 2015 12:24 pm

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Phillip M. Earhart Health Services Development Examiner November 20, 2015 Page 4

Staffing

Response: Please see attached copy of the Executive Summary included as <u>Attachment B</u>, <u>Project Description, Item 1</u>.

It appears the applicant will only provide methadone treatment services. If approved, please clarify if the applicant will limit services to methadone treatment only.

Response: While the Applicant intends to provide methadone treatment only, it is not requesting a limitation. Only methadone treatment centers are subject to CON approval.

The applicant has quoted several statistics from the Tennessee Department of Mental Health and Substance Abuse Services publication titled <u>Prescription for Success: Statewide Strategies to Prevent and Treat the Prescription Drug Abuse Epidemic in Tennessee</u>". However, please identify the role identified in the publication of non-residential opioid treatment programs in combatting prescription drug abuse.

Response: On page 38 of the report, the following statement is provided by the Department on the treatment of opioid substance abuse:

"The Department of Mental Health and Substance Abuse Services uses the American Society of Addiction Medicine (ASAM) Patient Placement Criteria, an evidence-based assessment tool, to determine exactly which level of services an individual requires, at the beginning of their services and periodically throughout so that they will be given the most appropriate levels of care."

ASAM is very clear on the use and effectiveness of Methadone Maintenance Treatment (MMT, the Applicant's proposed treatment service). In one of the most comprehensive surveys of the effectiveness of MMT¹, ASAM's research conclusions include:

- 1. "Because of MMT's relative efficacy, efforts should be made to increase access to MMT for all individuals who struggle with opioid use disorders. Directors of state mental health and substance abuse agencies and community health organizations should look for methods to increase access to MMT, and purchasers of health care services should cover appropriately monitored MMT."
- 2. "Detoxification followed by abstinence has shown little success in reducing illicit opioid use."
- 3. "Evidence (of MMT treatment) suggests positive impacts on drug-related HIV risk behaviors, mortality, and criminality."

¹ Medication-Assisted Treatment With Methadone: Assessing the Evidence, Catherine Anne Fullerton, M.D., M.P.H., Meelee Kim, M.A., Cindy Parks Thomas, Ph.D., D. Russell Lyman, Ph.D., Leslie B. Montejano, M.A., C.C.R.P., Richard H. Dougherty, Ph.D., Allen S. Daniels, Ed.D., Sushmita Shoma Ghose, Ph.D., Miriam E. Delphin-Rittmon, Ph.D.

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November 20, 2015 12:24 pm

waller

Phillip M. Earhart Health Services Development Examiner November 20, 2015 Page 5

4. "MMT in pregnancy was associated with improved maternal and fetal outcomes. The Department uses the ASAM Patient Placement Criteria for opioid dependence and ASAM advocates for increased access for all individuals to improve health, mortality and criminality.

Please discuss treatment options already available in the community for opioid addiction.

Response: The treatment MMT, which is what is proposed by the Applicant is not available, although other treatment options are available in the service area. The CDC deems MMT the most effective² treatment for opioid dependency. There are over 100 physicians who prescribe buprenorphine in private practices in the proposed service area. Along with the dispensing of methadone, the services and scope provided by the Applicant also include licensed counseling, care plans, regular testing for drugs and disease, laboratory work, independent certification (CARF) and frequent outside inspections, none of which are required and are often not performed in a private physician's office.

Detoxification and abstinence programs are also available, but are shown to have significantly higher relapse rates.³

In a comprehensive review of therapies for the management of opioid dependence, the World Health Organization first conclusion is stated as follows:

"Opioid dependence is a complex condition that often requires long-term treatment and care. No single treatment modality is effective for all people with opioid dependence. Adequate access to a wide range of treatment options should be offered to respond to the varying needs of people with opioid dependence."

The Applicant reviewed that report and would like to provide the following information and clarification. On page 6 of that report, under the headline "SUMMARY OF CURRENT EFFORTS TO COMBAT THE PRESCRIPTION DRUG EPIDEMIC IN TENNESSEE", the report calls for:

- 1) A full continuum of treatment services, and
- 2) Medication Assisted Therapies. (MMT is included in Medication Assisted Therapies)

Further, the publication highlights the benefits of the State's Opioid Treatment Programs (MMT) on page 39 AND warns of the lack of oversight and regulations governing buprenorphine treatment.

² www.CDC.gov/IDU, "METHADONE MAINTENANCE TREATMENT", February 2002

³ "Methadone Maintenance vs 180-Day Psychosocially Enriched Detoxification for Treatment of Opioid Dependence", JAMA, March 8, 2000.

⁴ WHO/UNODC/UNAIDS position paper Substitution maintenance therapy in the management of opioid dependence and HIV/AIDS prevention, 2004

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What type of activities/meetings has your organization conducted to prepare and educate the public in the service area regarding this proposed application?

Response: The Applicant has contacted the national or local chapters of several advocacy groups to educate them on our efforts to bring this treatment to the proposed service area, including the American Society of Addiction Medicine (ASAM), the American Foundation for Suicide Prevention, and the National Crime Prevention Council.

While these organizations generally do not endorse a particular provider, their position of availability of MMT (FDA-approved medication for opioid dependence) is often clear, as evidenced by ASAM's pointing us to its position paper dated April, 2013, which is summarized by ASAM's President as follows:

"State governments and insurers should not be involved in setting limits on types or duration of treatment for addiction," said Stuart Gitlow, MD, ASAM President. "Governments and insurers would never interfere with physicians prescribing FDA-approved medications for any other chronic disease, such as diabetes or hypertension. Interfering with the treatment of addiction threatens the life and health of patients and disrupts families, workplaces and communities."

In addition, the Applicant has been contacted by patients from the proposed service area who are currently traveling great distances to programs in neighboring states (Virginia, North Carolina), and who are interested in a closer treatment option. The Applicant has informed these interested people of its plans and provided them with information about the project.

In addition the Applicant has contacted officials from Johnson City to apply for the necessary zoning for the location of its program.

It is noted the applicant references the Tennessee Department of Mental Health and Substances Reports, "Prescription Drug Abuse in Tennessee" by the Safety Subcabinet Working Group. Please clarify if this report mentions non-residential substitution based treatment center, and methadone, specifically, as a treatment option for opiate addiction.

Response: On page 19 of the original report, the headline reads "People abusing prescription drugs need treatment", and then mentions opioid treatment programs, specifically including methadone. No other treatment option is discussed. On page 22, the publication lists recommendations and under treatment, the recommendation is to increase options, which the Applicant's proposal does. MMT is currently not a treatment option in the proposed service area.

In the updated report (July 2014), included as <u>Attachment B</u>, <u>Project Description</u>, <u>Item 1</u>, the report does an excellent job showing the rise, extent and costs of prescription drug abuse in pages 5-33, and especially opioids (page 3). It is interesting to note that on page 6, which lists "Weekend Reading", four of the five articles specifically mention concerns regarding the problems in the proposed service area.

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The updated publication calls for increasing access to treatment (page 67), although no specific treatments are mentioned. Since methadone treatment is not presently provided in the proposed service area, the ability to provide this treatment certainly provides increased access to treatment options.

Please identify the typical patient length of stay in a methadone treatment program. What type of follow-up does the applicant conduct in tracking patients who leave the program before achieving an opiate-free life?

Response: Patient lengths of stay vary depending on the particular patient and their response to treatment. As stated on page 22 of the application, a recent review of collective patient data demonstrated an average treatment duration of 14 months for Crossroads facilities. The National Institutes of Health states "12 months of treatment is the minimum and some opioid dependent individuals will continue to benefit from methadone maintenance treatment over a period of years."

The procedures the Applicant uses to follow-up with its patients are listed on page 19 of the application.

Of the estimated opiate addicted individuals in the service area in the application, how many need methadone instead of buprenorphine, and why?

Response: Both medications are FDA approved for the treatment of opioid dependence. This medical treatment decision is made by the treating physician on an individualized patient basis based on many factors. No pubic data is available as to specific numbers as to what treatment choices are made; therefore the Applicant is unable to report the requested data.

The Applicant firmly believes, based on medical information, that the most effective type of treatment for the most number of people is methadone and it seeks to provide access to this treatment, which is not currently available in the service area. It was said very well by retired U.S. Army General and former Director of the Office of National Drug Control Policy, Barry McCaffrey, in his recent letter to Congress in support of the Comprehensive Addiction and Recovery Act, "By expanding access to addiction treatment, especially the use of MMT, policymakers can make a difference in the lives and well-being of all Americans. That is something we can all agree on."

Please explain the possibility of diversion and abuse of buprenorphine vs. methadone.

Response: It is important to recognize that most medications can be diverted and many can be abused. Safe-guardings against diversion and abuse of buprenorphine vs. methadone is a very

⁵ http://www.cdc.gov/idu/facts/MethadoneFin.pdf

⁶ http://thehill.com/blogs/congressblog/healthcare/234504billwouldfunddrugaddictionfight

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helpful topic to discuss as it highlights one of the many virtues of licensed medication-assisted treatment programs. When methadone or buprenorphine is utilized in the context of a medication-assisted program, safe guards against diversion and abuse are put in place. Other treatment environments do not have the same stringent controls that are present in MMT programs. These numerous safe guards are not only followed by licensed MMT programs but are mandated by and the MMT programs are inspected by, federal and state agencies including but not limited to the Substance Abuse and Mental Health Administration ("SAMHSA"), DEA, State Board of Pharmacies, State Licensing Agencies, Credentialing Agencies, and others, in order to ensure compliance.

This issue is discussed in detail on page 20 of the application, with additional information included in Attachment C-Need-1(a) to that application.

7. Section B. Project Description Item II. C

The applicant references a CMS news release dated November 3, 2015 which released an interactive online mapping tool of Medicare Part D opioid prescription claims. The application provides a 2015 CMS Opioid Medicare part D chart by county. However, it appears the average Opioid Claims for Washington, Unicoi, Carter, Greene, Hancock, and Washington Counties are incorrect. Please verify and resubmit as needed.

Response: The Applicant was using zip code data to determine the county data; the zip codes do not match exactly the county borders.

What percentage of the applicant's projected patients to be served in Year One are 65 and over?

Response: Currently, approximately 1% of the patients who travel to the Asheville and Weaverville Crossroads facilities from the proposed service area are 65 years old and older. Given the distance and the resulting difficulty of this drive, the Applicant believes the hardship of the drive contributes to this age population not seeking care at the Crossroads facilities in North Carolina. Closer treatment would reduce the burden for this vulnerable patient population, so the percentage seeking treatment is expected to more closely match or exceed the 65 and older population at other Crossroads facilities, which is closer to 2%. The information has been included to illustrate that the issue of opioid addiction is not limited to particular age groups but spans all ages, even the Medicare population.

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Please label the chart on page 10 to reflect Medicare Part D claims only and resubmit.

Response: See chart below revised to include Medicare Part D Claims.

	EDICARE PART D LAIMS DATA
County	Avg. Opioid Claim
Carter	7.52%
Greene	5.51%
Hancock	10.24%
Hawkins	6.57%
Johnson	7.21%
Sullivan	7.08%
Unicoi	7.26%
Washington	7.19%

What is the population included in the part D Prescriber Public Use File (PUF)? Refer to https://questions.cms.gov/faq.php?id=5005&faqId=12210

Response: The Part D Prescriber PUF includes data for providers that had a valid NPI and were identified on Medicare Part D prescription drug events submitted by plans for the benefit year. The data reflect prescribing to beneficiaries enrolled in Medicare Part D, who comprise approximately 68% of the total Medicare population.

Are methadone claims included in the Part D Opioid Drug data? Refer to https://questions.cms.gov/faq.php?id=5005&faqId=13269

Response: The data for this tool was derived from the now public 2013 Part D Prescriber public use file. The analysis is based on the products included in the Overutilization Monitoring System, and it does include methadone.

What do the Part D Opioid Drug data say about opioid prescribing pattern? Refer to https://questions.cms.gov/faq.php?id=5005&faqId=13273

Response: The percent of claims for opioids was 5.3% nationally in 2013 and it ranged from 2.6% in NY to 7.4% in AL and NV. As seen from the chart above, all counties in the Applicant's service area had higher rates of opioid use than the national rate. Specialists associated with pain management had high rates of opioid prescribing (>50% of claims) compared to general practitioners such as internal medicine (4%) and family practice (5%). Some individual prescribers were found to have over 80% of their claims for opioids.

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Please discuss what Crossroads will do to identify patients who may be candidates for eventually being opiate free. In addition, what steps will Crossroads take with those patients to assist them in becoming opiate free?

Response: Decisions concerning a patient's length of time in treatment are made jointly by program physicians, treatment team staff and patients. SAMHSA counsels that "maintaining abstinence from illicit opioids and other substances of abuse, even if that requires ongoing medication-assisted treatment, should be the primary objective."

As recommended by leading addiction professionals and researchers, and as recommended by SAMHSA, the Applicant offers a phased approach to treatment, beginning with "induction and stabilization (withdrawal management, assessment, medication induction, and psychosocial counseling), and moving to a middle phase that emphasizes medication maintenance and deeper work in counseling. The third phase is ongoing rehabilitation, when the patient and provider can choose to taper off medication or pursue longer term maintenance, depending on the patient's needs." For some patients, medication-assisted treatment should and will be indefinite. The National Institute on Drug Abuse ("NIDA") describes addiction medications as an "essential component of an ongoing treatment plan" to enable individuals to "take control of their health and their lives." For methadone maintenance, NIDA states that, "12 months of treatment is the minimum."

Patients are never pressured to taper from treatment medication. Again, the addiction treatment organizations and professionals listed above agree that patients stabilized in MAT are experiencing "true recovery." These patients "do not use illicit drugs; do not experience euphoria, sedation, or other functional impairments; and no longer meet the diagnostic criteria for addiction, such as loss of volitional control over drug use."

However, every patient receives regular Treatment Plan reviews including options to taper off treatment medication, based on their individual needs, in consultation with their physician, and with the guidance of a specific Transition Plan.

What is the applicant's history in existing programs of % of patients who become opiate and methadone free?

Response: The Centers for Disease Control recognizes MAT utilizing methadone as "the most effective means of treating opioid dependence." The primary objective of MAT is to maintain abstinence from illicit opioids and other substances of abuse as well as restoring family relationships, employment, education and good health. Patients stabilized in MAT experience this recovery and truly get their lives back. Patients pressured by family, friends, employers or civil authorities to taper off their treatment medication face relapse rates of up to 80%. Based on the consistent counsel of organizations like SAMSHA, NIDA and the CDC, the Applicant plans to encourage patients to make the decision to taper off their treatment medication in consultation with their counselor, physician and significant others. Approximately 20% of Crossroads patients make the decision to conclude their treatment by tapering off their medication.

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Section B, Project Description Item III.A.(Plot Plan)

What is the size and capacity of the parking lot?

Response: The paved area is 39,661 square feet, with 85 parking spaces.

What is the structure that borders the rear of the plot?

Response: The structure to the rear of the site is Quillen Rehabilitation Hospital.

The applicant references the map in Attachment B, Project Description, III. (B) 1. However, the attachment could not be located in the application. Please clarify.

Response: The reference to a map should have been deleted.

8. Section B, Project Description Item IV. (Floor Plan)

What is the seating capacity of the waiting room?

Response: The waiting room will seat approximately 55 people.

9. Section C, Need, Item 1. (NRMTF, Need, #1) and Need item 5

Have you contacted the Tennessee Department of Mental Health and Substance Abuse Services and officially requested the aggregate number by county of persons addicted to heroin or other opioid drugs presently under treatment in methadone and other substitution-based treatment programs?

Response: The applicant has contacted the TDMHSAS and has not been able to obtain the information requested above. Please see table below for information that may be helpful.

TDMHSAS
FUNDED ADMISSIONS FOR OPIOID ABUSE BY COUNTY IN 2014

County	Percentage of Admissions	Number of Admissions
Carter	41.7%	55
Greene	58.6%	150
Hancock	* *	17
Hawkins	73.9%	116
Johnson	*	19
Sullivan	45.7%	328
Unicoi	*	18
Washington	44.9%	289

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*Rates not reported for events <20.

Source: Tennessee Department of Mental Health and Substance Abuse Services, November 2014 Tennessee Behavioral Health County Data Book

Please provide a chart of the driving distances from the counties listed as the counties in the applicant's proposed service area to the nearest existing methadone treatment facilities.

Response: Please see the driving distances chart below.

Driving Distances from Service Area Counties to Proposed Clinic Location vs. Existing Clinics

			to 1 Top	oscu C	HILL LA	Catton	AP. TAVIS	ung Ci	inics			
Service Area/Existing	iter,	9		Center	ter of	Inc. Mountain Asheville	ter of ·	linic,	Clinic	Cedar	Inc.,	
NSTCOA	ness Cer	Je NC	Ile, NC	eathent	ent Ceni		ent Cent	edical C	edical Civille, TN	nter, Inc,	Center, 1	Hes, P.C.
8 8 8 8 8 8 2 8 8	Stepping Stone Wellness Center, Boone, NC.	McLeod Center Boone, NC	BHG XXXVI, Ashville, NC	Westem Carolina Treathent Center Asheville, NC	Crossroads Treatment Center of Asheville, PC	ATS of North Carolina Health Solutions	Crossroads Treatment Center of Weaverville, PC	DRD Knoxville Medical Clinic, Knoxville, TN	DRD Knoxville Medical Central, Knoxville, T	Galax Treatment Center, Inc, Cedar Bluff, VA	Galax Treatment Center, Inc., Galax, VA	Crossroads of Tri-Cities,
a no and	Stepping Sto Boone, NC.	McLeod	BHG X	Westen	Cross	ATS of h Hea	Cross	DRD	DRD	Galax T	Gala	Crossro
Carter	46.2mi	47.3	72.2	66.0	73.5	67.6	52.3	115.2	115.0	76.0	131.4	11.2
7.79	/1h	-mi/ lh	mi/ 1h	mi/1h	mi/lh	mi/1h	mi/56	mi/1h	mi/1h	mi/1h	mi/2h	mi/22
Č	6min	11min	19min	12min	20min	15min	min	51min	53min	36min	12min	min
Greene	87.2	88.5	60.9	54.7	62.2	56.3	47.5	70.7	70.5 mi/1h	109.3	158.4 mi/2h	31.4 mi/51
10.00	mi/2h 2min	mi/ 2h 11min	mi/1h 21min	mi/1h -15min	mi/1h 22min	mi/1h 18min	mi/1h 10min	mi/1h 8min	10 min	mi/1h 55min	33min	min
Hancock	128.7	129.9	123.6	127.8	127.5	127.9	118.1	69.8	69.6	101.8	171.0	71.6
Hallook	mi/ 2h	mi/ 2h	mi/2h	mi/2h	mi/2h	mi/2h .	mi/2h	mi/lh	mi/1h	mi/2h	mi/3h	mi/1h
	55min	59min	15min	22min	17min	20min	15min	27min	29min	13min	10min	34min
Hawkins	105.0	107.0	89.4	83.2	90.7	84.8	95.2	65,8	65.6	92.5	160.6	48.7
)/I	mi/ 2h	mi/2h	mi/1h	mi/ 1h	mi/1h	mi/1h	mi/1h	mi/lh	mi/1h	mi/lh	mi/2h	mi/56
	17min	23min	58min	51min	58min	54min	37min	18min	20min	55min	39min	min
Johnson	25.6	26.8	98.8	92.6	100.1	94.2	78.9	154.8	154.7	69.2	73.6	44.6
	mi/36	mi/	mi/1h	mi/1h	mi/1h	mi/1h	mi/1h	mi/ 2h	mi/2h	mi/1h	mi/lh	mi/1h
8 30 S 5	min	40min	55min	48min	55min	51min	33min	-30min	32min	32min	44min	6 min
Sullivan	79.2	81.2	89.2	83.1	90.6	84.7	69.4	101.6	101.5	66.2	126.0	22.9
8 6	mi/Ih	mi/ 1h	mi/lh	mi/1h	mi/1h	mi/1h	mi/1h	mi/1h	mi/1h	mi /1h	_mi/2h	mi/26
	46min	51min	31min	24min	31min	27min	7min	32min	34min	26min	8min	min.
Unicoi	56.1	59.0	51.1	45.0	52.5.	46.6	31.3mi	100.8	100.7	105.5	154.6	18.5
24 W 10 St	mi/1h	mi/lh	mi/54	mi/47	mi/54	mi/54	/32min	mi/1h	mi/lh	mi/1h	mi/2h	mi/21
	25min	30min	min	min	min	min	-	49min	51min	49min	27min	min
Washington	55.2	57.3	65.5	59.3	66.9	61.0	51.8	106.2	106.1	91.2	140.3	4.1
7/03	mi/1h	mi/ 1h	mi/1h	mi/1h	mi/1h	mi/1h	mi/53	mi/1h	mi/lh	mi/1h	mi/2h	mi/7 _, m
	23min	28min	8min	1 min	8min	4min	min	36min	38min	35min	13min	in

Note: County point from which the distance/time was measured is as follows: Carter-Elizabethton, Greene-Greeneville, Hancock-Sneedville, Hawkins-Rogersville, Johnson-Mountain City, Sullivan-Kingsport, Unicoi-Erwin, and Washington-Johnson City

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10. Section C, Need, Item 1. (NRMTF, Need, #5)

The applicant projects the rate of intake will be 50 patients per month. Please clarify the timeframe of this intake rate of 50 patients per month.

Response: The Applicant anticipates that it will take approximately two months for the first 200 Tennessee patients who are currently utilizing the Crossroads treatment centers in North Carolina to be fully transferred to the Crossroads facility in Johnson City, then the remaining 100 in the next two months. The Applicant then projects that the number of new patients would grow 50 a month (plus or minus transitioning patients) for the remaining 10 months of the first year and approximately 40 patients a month (plus or minus transitioning patients) for the second year, so that the number of patients at the end of the first year is 697 and 1,108 at the end of the second year.

Year 1	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
New Patients Served Each Month	100	100	50	50	50	50	55	50	50	50	50	50
Less Transitioning Patients	0	0	0	0 9 ⁴	0	5	3	0	0	0	0	0
Gross Census	100	200	250	300	350	395	447	497	547	597	647	697
Year 2	Month 13	Month 14	Month 15	Month 16	Month 17	Month 18	Month 19	Month 20	Month 21	Month 22	Month 23	Month 24
New Patients Served Each Month	40	40	40	40	40	40	40	40	40	40	40	40
Less Transitioning Patients	3	6	6	6	6	6	6	6	6	6	6	6
Gross Census	734	768	802	836	870	904	938	972	1,006	1,040	1,074	1,108

11. Section C, Need, Item 1. (NRMTF, Service Area) and Need Item #4

The applicant states free treatment (charity care) will be offered to all female patients who become pregnant and cannot afford treatment services. In addition, the applicant will offer reduced cost or free care to some patients who demonstrate continuous program compliance but who are unable to pay for treatment services. However, #17 of the applicant's program rules and consequences agreement located in Attachment B, Project Description, II.A. (which is signed by the patient) states "patients must pay for treatment services and medication at the time received, please don't expect to receive treatment or medicine if you do not have the necessary funds". Please clarify.

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Response: Patients are generally required to pay for their care to ensure patients are committed to their recovery, which is consistent with Federal guidelines. That is why the policy is worded the way it is. However, an exception may be made if a patient who has demonstrated continuous program compliance becomes unable to pay for their care. In that situation, the patient's care team, including the patient's physician, taper down the patient's treatment over a period of time, and during that time period the treatment is provided free of charge. This process often lasts weeks, in contrast to most other forms of medical care where service is immediately terminated if a patient cannot pay.

12. Section C, Need Item 1 (5 Principles for Achieving Better Health found in the State Health Plan)

The applicant references a quote from the Department of Mental Health and Substance Abuse Services regarding the reported 114 buprenorphine providers that currently exist in the proposed service area. Please provide the source of the information.

Response: The source of the buprenorphine doctor data is SAMHSA Buprenorphine Treatment Physician Locator at: http://www.samhsa.gov/medication-assisted-treatment/physician-program-data/treatment-physician-locator.

13. Section C. Need, Item 5 (Existing Clinics' Utilization)

Please complete the following chart from data from the Tennessee Department of Mental Health and Substance Abuse Services and external sources for the previous three years of utilization at the following clinics. Please also provide the source(s) of utilization information.

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Facility	2012 Patients	2013 Patients	2014 Patients	2012 Visits	2013 Visits	2014 Visits	2012 Patients 8 County Proposed Service Area	2013 Patients 8 County Proposed Service Area	2014 Patients 8 County Proposed Service Area	Waiting List as of (Date)
Knoxville DRD, Citgo Street Location*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Knoxville DRD,-Rossville Blvd. Location*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Volunteer TX Center, Chattanooga, TN*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Galax Treatment Center, Galax VA*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A >-
McLeod Center of Weaverville, NC	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Crossroads TX Center of Weaverville, NC	441	463	495	2,073	2,037	2,103	227	241	260	0
Crossroads TX Center of Asheville, NC*	635	645	657	2,858	2,806	2,834	33	34	35	0
Western Carolina TX Center Asheville, NC (2)*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
New Beginnings Sober Living, Asheville, NC*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

^{*}No publicly available utilization data.

RESPONSE: The table above includes information for the Crossroads locations. There is no publicly available utilization data source for the other OTP providers. As such, there is no data for the other requested facilities, none of which are in the Applicant's proposed service area; there are no methadone treatment centers in the Applicant's proposed service area. The Applicant believes there are at least eight programs that patients from the proposed service area attend, ranging in distance from 48 miles (Weaverville, NC Crossroads facility) to 140 miles(Galax, VA) from the proposed site. This information is based on calls the Applicant has received from Tennessee patients who travel to those programs and who are seeking closer treatment alternatives.

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Please complete the following table indicating the current number of patients from the proposed 8 county service area, by County, that are served by out of state bordering methadone providers. The applicant will either need to contact the providers listed below directly, or the North Carolina and Virginia State Opioid Authorities to obtain the data.

Response: Please see table below for the patients from the proposed 8 county service area that were served by Crossroads of Weaverville and Crossroads of Asheville, NC. The total number is 313. There was no publicly available utilization data source for the other OTP providers.

***	Carter	Greene	Hancock	Hawkins	Johnson	Sullivan	Unicoi	Washington	Total
Crossroads of Weaverville, NC	64	14 **	7	19	1	74	9	89	277
Crossroads of Asheville, NC	3	5	1	-11	0	9	0	7	36
BHG Asheville Treatment Center, Asheville, NC*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mountain Are Recovery Center, Inc., Asheville, NC*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mountain Health Solutions, Asheville, NC*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Western Carolina Treatment Center, Asheville, NC*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
New River Comprehensive Treatment Center, Galax, VA*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

^{*}No publicly available utilization data.

14. Section C. Need, Item 6 (Projected Annual Utilization)

Please complete the following chart indicating the patient origin by county in Year One and Year Two of the proposed project.

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	Carter	Greene	Hancock	Hawkins	Johnson	Sullivan	Unicoi	Washington	Total
Patients Year 1	149	42	18	67	2	185	20	214	697
Patients Year 2	237	67	28	106	4	294	32	340	1,108

Please clarify whether existing buprenorphine providers in the service area were considered when the applicant assessed the need for this proposed project. In addition, please detail how the existence of buprenorphine providers affected the assessment of need.

Response: The Applicant considered the existing buprenorphine providers in the service area and determined that there were sufficient buprenorphine providers in the service area. Because there are no MAT providers offering methadone, and there are sufficient providers offering buprenorphine, the Applicant determined that it was not necessary for it to offer buprenorphine at this time. The American Society of Addiction Medicine's (ASAM) position on the availability of MMT (FDA-approved medication for opioid dependence) is summarized by ASAM's President as follows:

"State governments and insurers should not be involved in setting limits on types or duration of treatment for addiction," said Stuart Gitlow, MD, ASAM President. "Governments and insurers would never interfere with physicians prescribing FDA-approved medications for any other chronic disease, such as diabetes or hypertension. Interfering with the treatment of addiction threatens the life and health of patients and disrupts families, workplaces and communities."

The Applicant's proposed service is also supported by The World Health Organization, which states:

"Opioid dependence is a complex condition that often requires long-term treatment and care. No single treatment modality is effective for all people with opioid dependence. Adequate access to a wide range of treatment options should be offered to respond to the varying needs of people with opioid dependence."

Please indicate if the proposed facility will adequately handle 1,000+ patients by Year 2 of the proposed project.

Response: Yes, the Applicant's center can accommodate more than 1,000 patients, and will expand the hours of operation to accommodate additional patients as needed.

How many patients can be processed in an hour?

Response: This depends on how "processed" is defined. If process means a patient intake, the answer is none, as this process typically takes 2-4 hours of assessment and testing by a multi-

⁷ WHO/UNODC/UNAIDS position paper Substitution maintenance therapy in the management of opioid dependence and HIV/AIDS prevention, 2004

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disciplined care team of nurses, counselors and the physician. Counseling sessions generally take 20-40 minutes, but can last longer. The Applicant generally tries to provide dosing services in less than 15 minutes so that patients can go to work, school or back to the care of their families. The Applicant will provide multiple dosing stations in order to make dosing as efficient and convenient for patients as possible.

Please clarify if funding for the proposed project will be available from cash reserves or from a revolving line of credit. If from both, what is the percentage of financing from each source? If any funding is from cash reserves, please check the box in the application to indicate cash reserves is the partial/full funding source.

Response: Currently, the \$4.7M line of credit is the readily available and authorized source of funding for this project. In addition, an additional \$3M of equity financing will be available prior to the Applicant's CON hearing.

The funding documentation from Ally Bank is noted. Please submit a letter from Ally Bank that identifies the expected interest rate, term of the loan, and any anticipated restrictions or conditions. If needed, please check commercial loan as the source of partial/full funding.

Response: The funding documentation included in <u>Attachment C, Economic Feasibility 2</u>, is from the Loan and Security Agreement from Ally Bank and provides the exact details associated with the funding. As such, Ally will not provide another document that may supersede or contradict that funding document.

15. Section C, Economic Feasibility, Item 4 (Historical and Projected Data Chart)

The applicant indicates ownership in Crossroads Treatment Centers in Asheville, NC. Please provide a Historical Data Chart for the year 2014 for the Crossroads Treatment Center located in Asheville, NC and Weaverville, NC.

Response: The Applicant does not own any of the other Crossroads Treatment Centers; each has its own separate ownership at the facility level, although they are all owned by the same physician. Attached please find Historical Data Charts for 2014 for the Crossroads facilities in Weaverville and Asheville, North Carolina included as Attachment C-Economic Feasibility, Item 4. These charts show the combined PC and LLC financial information in order to provide the most accurate picture of the operation of those treatment centers. Please see response to question 4 above for a more detailed explanation of the financial information included on the Projected Data Chart; the same is true for the Historical Data Charts.

The applicant intends to seek CARF accreditation. What is the cost to achieve accreditation? Is this cost reflected in the projected data chart?

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Response: The cost to achieve CARF accreditation is \$3,000. This amount was included in the Project Cost Chart provided in the application.

There is a management agreement included in the application. However, the applicant provides a footnote in the Projected Data Chart that notes "there are no management fee expenses as the management fee expense in the PC is offset by the management fee revenue for the LLC". Please clarify.

Response: The management fee is included as a PC expense on the LLC financials.

The Projected Data Chart reflects Charity Care in the amount of \$50,046 in Year One of the proposed project. Of the \$50,046 what is the percentage that will be assigned to female patients who become pregnant and cannot afford treatment services and patients that demonstrate continuous program compliance but who are unable to pay for treatment services?

Response: The Applicant is not sure how much charity care will be provided in this market. Generally about 2% of revenues are provided in charity care to pregnant women and another 1% to others at other Crossroads facilities. Provided there is no issue with State law, the Applicant will also provide this level of charity care. There is no issue with Federal law.

Please explain the reason there will be no capital expenditures while the applicant will be receiving revolving credit from Ally Bank.

Response: The revolving credit line is with the various management company entities, who in turn equip the space and lease it to the PC operators of the treatment centers. Thus, the capital expenditures are borne by the management entity and passed through to the Applicant in the form of lease costs.

16. Section C, Economic Feasibility, Item 6.A.

It is noted Crossroads Management Entities will offer treatment to all patients for a rate of \$1 per day for the first thirty days of treatment. Please clarify if this arrangement is consistent with State and federal rules and regulations.

Response: The Applicant is not aware of any inconsistency with State and Federal rules and regulations.

17. Section C, Economic Feasibility, Item 11a. and 11b.

Please clarify if the applicant will be providing buprenorphine (suboxone, etc.) medication to patients in the future. If not, why will Crossroads not offer a choice of buprenorphine (suboxone) to patients?

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Response: The Applicant may offer buprenorphine in the future. This medication is offered at other Crossroads treatment centers when there is sufficient patient demand. Currently, there are over 100 physicians offering buprenorphine treatment in the proposed service area. If a patient and his or her doctor decide this treatment option is best the Applicant will make a referral, which is consistent with the practice at Crossroads treatment centers where buprenorphine is not offered.

18. Section C, Economic Feasibility, Item 10

The latest audited Balance Sheet and Income Statement for Crossroad Holding, LLC, Subsidiaries and Associated PCs is noted. The financial documents reflect current assets of \$669,745 and total current liabilities of \$968,862 equaling a current ratio of .69:1. A ratio of 1:1 would be required to have the minimum amount of assets needed to cover current liabilities. Please clarify the applicant's ability to cover current liabilities with its existing current assets.

Response: The current ratio is less than 1:1 as a result of the fact that no accounts receivable are carried. All patients are private pay, with payment made in advance of the provision of services. In this instance, the current ratio of less than 1:1 is not a result of "excess" payables or being short on cash, it results from the nature of the business being such that payment is made in advance of the provision of services.

As of September 30, 2015, there was \$3,795,346 of revolver availability that the Applicant could utilize towards this project.

19. Section C, Orderly Development, Item 3

It appears the applicant plans to dose patients 7 days per week. How is this accomplished with one dosing nurse?

Response: When the center opens initially there will be 1 FTE Lead RN and 1 FTE Dosing LPN. As more patients seek services, these FTEs will be adjusted as necessary. As stated in the application on page 52, the staffing included is the proposed staffing for the beginning of operations at the facility.

Please describe the expected interaction between a typical patient and physician at the proposed facility, to include the amount of time at the initial visits and all subsequent visits, as well as the scope of care provided.

Response: The initial assessment by the program physician includes all of the following:

- Review of current medication(s) for medical or mental health issues: (prescription and non-prescription).
- A medical history and status, including active medical complications.
- A mental health history and status, including current medical issues or treatment.

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- A physical exam.
- Assessment of current drug use including the last use, quantity, frequency and duration.
- HIV and HEP C status.
- Documentation of problems related to drug use, including relational, employment and legal.
- Documentation of prior or current treatment for substance abuse.
- Assessment of signs and symptoms of opiate withdrawal.
- Review of patient's initial urine drug screen results.
- Review of results of patient's prescription drug monitoring program results.
- Documentation that patient meets Federal and State criteria for treatment eligibility.
- Documentation of physician's impression, initial treatment and recommendations, plan and referrals.
- The initial assessment will usually require 20-30 minutes.

Subsequent visits depend on the individual needs of the patient and can include assessment of dose, take-home schedule, co-occurring disorders, other prescription medications or treatment interventions.

The scope of patient care includes physician supervised treatment, an individual treatment plan with psychosocial assessments and reviews, individual and group counseling, treatment medication and referral to outside providers for services not offered within the program.

The curriculum vitae (CV) for Dr. Paul Pyles in Attachment C indicate he resides in Mississippi and is on staff at two Mississippi health facilities. How will this arrangement be possible for this proposed project?

Response: Dr. Pyles intends to move back to Tennessee regardless of the outcome of this application. Dr. Pyles is a licensed physician in Tennessee and has previous experience working at an OTP in Knoxville, Tennessee, as stated on page 52 in the application.

It is noted \$30,368 is assigned to a Physician Assistant position. What is the FTE assigned to the \$30,368 salary?

Response: This position will initially be less than one FTE. There will be one FTE throughout the whole first year of operation.

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20. Section C, Orderly Development, Item 8

Please clarify if there have been any regulatory action (and result), civil or criminal lawsuit in any state involving any non-residential substitution based opiate treatment facilities owned by the Applicant's parent company Crossroad Holding, LLC, or its subsidiaries.

Response: The following are the pending proceedings of Crossroads Holding, LLC:

- Crossroads Treatment Center of Asheville, P.C., Stacey Marie Garrett, by and through her legal guardian, Randall Garrett v. Crossroads of Asheville Management Co., LLC, formerly known as Crossroads Treatment Center of Asheville, LLC, formerly known as Crossroads Treatment Center, LLC, Dr. Gerald R. Martin, Rupert J. McCormac, IV, M.D., Treatment Center HoldCo, LLC, Crossroads Treatment Center of Asheville, P.C., John Doe, John Doe Entity and Karen Denise Wheeler (N.C. Super. Court File No. 13CVS1612).
- 2. Treatment Centers HoldCo, LLC failed to file a Form 5500 for 2010 and 2011. The Company is working with the IRS to resolve the issue.
- 3. Settlement and Release Agreement regarding EEOC Charge No. 430-2012-01995 dated December 20, 2012 by and between Stephanie D. Hunt-Wood and Crossroads Treatment Center of Greenville.

Please provide a copy of the latest regulatory licensure survey of all OTP's owned by Crossroad Holding, LLC.

Response: A copy of the latest regulatory licensure surveys are included as <u>Attachment C</u>, <u>Orderly Development</u>, <u>Item 8</u>. Some of them are from 2014, and some are from 2015.

All of the most recent inspection reports indicate and document that the plans of correction were completed and accepted and all the issues identified were corrected.

21. Proof of Publication

Please submit a copy of the full page of the newspaper in which the notice of intent appeared with the mast and dateline intact or submit a publication affidavit which is supplied by the newspaper as proof of the publication of the letter of intent.

Response: The original newspaper or publication affidavit was not available at the time of filing. The original Affidavit of Publication from the Johnson City Press is included as <u>Attachment 21</u>, <u>Proof of Publication</u>.

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22. Notification Requirements

The notice to the county executive of the county in which the facility is proposed to be located, the member of the House of Representatives and the Senator of the General Assembly representing the district in which the facility is proposed to be located, and to the mayor of the municipality, if the facility is proposed to be located within the corporate boundaries of a municipality, by certified mail, return receipt requested, informing such officials that an application for a nonresidential methadone treatment facility has been filed with the agency by the applicant is noted. However, the applicant references a previous submitted application filed on April 15, 2015 (CN1504-015) and appears to reference the incorrect Zip Code for the location of the proposed project. Please resend the notification letters within 10 days of filing the application to the required officials with the correct project referenced and Zip Code noted and provide documentation that these notification requirements have been met.

Response: Revised notice letters to government officials correcting the zip code and the CON number from previous filing were sent by certified mail, return receipt requested on November 9, 2015, and are included as Attachment 22, Notification Requirements.

If you have any questions please contact me at 615-850-8722 or by email at Kim.Looney@wallerlaw.com.

Sincerely,

Kim Harvey Looney

KHL:lag

Encl.

SUPPLEMENTAL #1 November 20, 2015 12:24 pm

Attachment A, Applicant Profile, Item 4

Ownership Interest of 5% or Greater Chart

CROSSROADS TREATMENT CENTERS OWNERSHIP INTEREST OF 5% OR GREATER

Unit Holders	Percentage Held
RCP Crossroads Fund I Blocker, Inc.	28%
Rupert J. McCormac IV, M.D.	23%
Steven W. Kester	17%
CT Centers Holdings, Inc.	9%
RCP Crossroads Co-Invest Fund Blocker, Inc.	7%
James Hamilton Evans	6%

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Attachment B, Project Description, Item 1 Executive Summary

189 REVISED EXECUTIVE SUMMARY

November 25, 2015 12:11 pm

Crossroads Treatment Center CN1511-048

1. Brief description of proposed services and equipment

The Applicant, Crossroads Treatment Centers ("Crossroads or the Applicant") proposes to establish a non-residential opioid treatment program ("OTP") in a building to be constructed at 413 Princeton Road, in Johnson City, Tennessee. Crossroads will provide medication-assisted treatment ("MAT") for the rehabilitation of persons dependent on opioids to include opium, morphine, heroin, or any derivative of the group. These derivatives commonly include pain medications such as Oxycontin.

2. Ownership structure

Crossroads is owned by Crossroads Treatment Center of Tri-Cities, PC, which is owned 100% by Rupert J. McCormac, IV, M.D. This entity will be responsible for all medical aspects of the proposed facility, and will hold the CON and the facility license. Crossroads of Tri-Cities Management Co., LLC (the "LLC"), through a Management Agreement, will have management responsibility for the proposed facility. The LLC is owned by Treatment Centers HoldCo, which is 100% owned by Crossroads Holding, LLC.

3. Service area

The service area includes the eight most northeastern counties in Tennessee: Carter, Greene, Hancock, Hawkins, Johnson, Sullivan, Unicoi and Washington Counties.

4. Need

The Applicant estimates there are between 8,800 and 21,500 adults in the service area who are addicted to opioids (heroin and prescription pain pills). Tennessee has been ranked as the second highest prescribing state for narcotic painkillers. In addition, heroin use has skyrocketed. Opioid abuse has become so pervasive in Tennessee that, in 2012, opioids overtook alcohol as the primary substance of abuse for persons in treatment through the Tennessee Department of Mental Health and Substance Abuse Services ("TDMHSAS"). According to a 2014 report from the TDMHSAS, of the 4,850,000 adults in Tennessee, it is estimated that 221,000 (4.56%) have used pain relievers, also known as prescription opioids, in the past year for non-medical purposes. Of those adults, it is estimated that 69,100 are addicted to prescription opioids and require treatment for prescription opioid abuse. The other 151,900 are using prescription opioids in ways that could be harmful and may benefit from early intervention strategies. The remaining 4,629,000 adults in the population would benefit from broad-based prevention strategies that target the entire population.

In a comprehensive review of therapies for the management of opioid dependence, the World Health Organization's first conclusion is stated as follows:

"Opioid dependence is a complex condition that often requires long-term treatment and care. No single treatment modality is effective for all people with opioid dependence. Adequate access to a wide range of treatment options should be offered to respond to the varying needs of people with opioid dependence."

The Applicant intends to provide MAT services utilizing methadone to help patients stop abusing opioids, manage triggers and addictive behaviors and gain control of their lives. When taken as prescribed, methadone is very safe and prevents patients from experiencing withdrawal symptoms, while at the same time not producing drowsiness or disorientation. The treatment

provided at Crossroads includes much more than simply prescribing and dispensing need callon. Crossroads' treatment includes physician assessment, counseling, laborately treating and other support services.

Given the number of persons in this service area who are in need of treatment for opioid addiction, this service is clearly necessary to meet the health care needs of the service area population.

5. Existing Resources

While there are over 100 physicians providing treatment using buprenorphine, there are no providers of MAT services utilizing methadone in the entire 8 county service area. Numerous sources state that options for treatment should be available. In addition, many state that MAT using methadone is the most effective treatment for opioid addiction.

The closest Tennessee OTP to the service area is located in Knoxville, with a driving distance of over 100 miles. The closest out of state OTP is a Crossroads facility located in Weaverville, North Carolina, with a driving distance of 53 miles. State and federal regulations require new patients to make these commutes daily (6 to 7 days per week) for up to three months of treatment. For residents of the service area that are seeking to break the cycle of addiction, this is especially difficult if they work in the morning, are parents of young children, have unreliable transportation or struggle with their finances. The benefits of MAT depend on geographic accessibility; extensive travel interferes with employment and family responsibilities. Approval of this proposed project will significantly improve patient's access to needed treatment while improving their ability to maintain a steady job and to enter "financial recovery," and will increase the likelihood of success of the treatment.

6. Project Cost

The project cost is \$1,826,660, excluding the CON filing fee. This cost includes \$295,000 for the acquisition of the site, \$268,200 for the preparation of the site, \$840,000 for the construction costs, and \$166,060 for a contingency fund, among other items.

7. Funding/Financial Feasibility

The proposed project is financially feasible in both the short and long terms. The Management Company will receive funding for the project's startup costs from a revolving line of credit agreement with Ally Bank. The Applicant will lease the premises from the Management Company and has executed an Option to Lease. Once operational, the project is projected to generate a profit in the second year of operations. The project is expected to generate (\$540,245) in net income over the first 12 months of operation and \$329,123 in the second year of operation. Any shortfall is expected to be covered by the Ally Bank line of credit agreement. Crossroads expects to serve 100 patients in the first month and be actively providing treatment services to 697 patients by the twelfth month of operations.

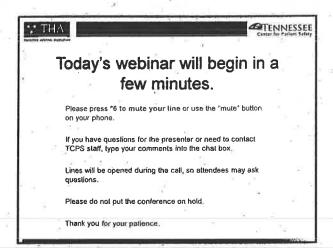
8. Staffing

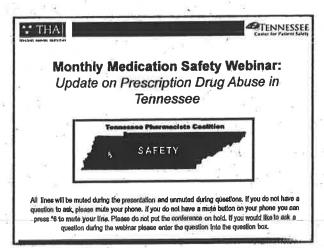
The proposed staffing for the beginning of the operations of the facility includes 2 Counselors and one each of the following: Program Director, Physician, Director of Nursing, Dosing LPN, Physician Assistant, Clinical Director, Administrator and Physician Assistant. As the number of patients treated increases, the Applicant anticipates that additional staffing will be necessary.

Attachment B, Project Description, Item 1

TDMHSA Updated Report July 2014

November 20, 2015/2015 12:24 pm





Medication Safety: Update on Prescription Drug Abuse in Tennessee

"The abuse of prescription opioids has been identified as one of the most serious and costly issues facing Tennesseans and other Americans today." - Prescription for Success

Disclosure Information
Tennessee Center for Patient Safety
Jason Carter, Pharm.D.

- I have no financial relationships to disclose
- I will not discuss off-label use and/or investigational use during my presentation

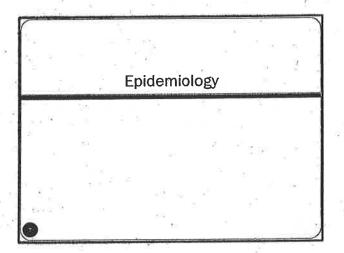
Prescription Drug Abuse: A New Problem?

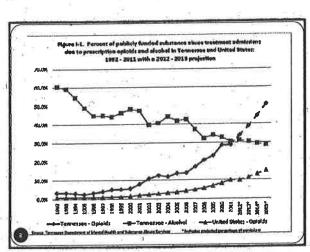
• "The passage of the Harrison Narcotic Act in 1914 removed a blot from the pages of Pharmacy, as the unlimited sale of narcotic drugs without being in conflict with any law had become appalling. This act placed the responsibility jointly up to physicians and druggists, and it is safe to say the consumption of narcotic drugs had diminished by 75%."

From the History of the Tennessee Pharmacists Association

Weekend Articles on Prescription Drug Abuse

- The dark reality of prescription drug abuse in Tennessee (Bristol Herald-Courier)
- Health leaders gather in Johnson City to discuss prescription drug epidemic (T-N)
- Bitter pills: State, local health pros talk reducing prescription abuse (JCP)
- Growing problem of drug-addicted babies gets officials' attention (Herald-Courier)
- Prescription drug drop boxes part of Prescription For Success campaign (Cookeville Herald Citizen)





Background

- Prescription drug abuse is the Intentional use of a medication:
 - without a prescription;
 - in a way other than as prescribed; OR
- for the experience or feeling it causes.
- Approximately 7.0 million persons were current users of psychotherapeutic drugs taken non-medically in the US in 2010 (2.7% of US population)
 - Pain relievers 5.1 million
 - Tranguilizers 2.2 million
 - Stimulants 1.1 million
 - Sedatives 0.4 million

National Statistics

- Prescription painkiller overdoses killed nearly 15,000 people in the US in 2008. This is more than 3 times the 4,000 people killed by these drugs in 1999.
- In 2010, about 12 million Americans (age 12 or older) reported nonmedical use of prescription painkillers in the past year.
- Nearly half a million emergency department visits in 2009 were due to people misusing or abusing prescription painkillers.
- It is estimated that 20 percent of people in the United States have used prescription drugs for nonmedical reasons
- Nonmedical use of prescription painkillers costs health insurers up to \$72.5 billion annually in direct health care costs

Tennessee Statistics

- Three times more likely to identify prescription opioids as their primary substance of abuse than the national average
- The use rate of prescription oploids among young adults (18-25 year-olds) was 30% higher than the national average in 2011
- Almost 7% of the 12-17-year-old population have used prescription drugs for non-medical reasons

Tennessee Statistics Cont.

- 10-fold increase in NAS infants from 2001-2011
- Tied Nevada for second only to Florida in 2010 in morphine equivalents per 10,000 people (11.8 kilograms)

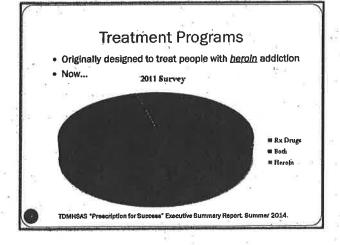
Patients Receiving Treatment by TDMHSAS for Opioids are More Likely to be:

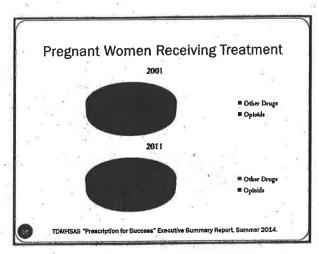
- A. Single, Employed, 10th grade education
- B. Married, Employed, > 12 years of education
- C. Married, Unemployed, 8th grade education
- D. Single, Unemployed, 10th grade education

TDMHSAS Funded Treatment

- · People addicted to oploids are more likely to be
 - Married
 - Employed
 - >12 years of education

individuals receiving treatment at state funded treatment programs





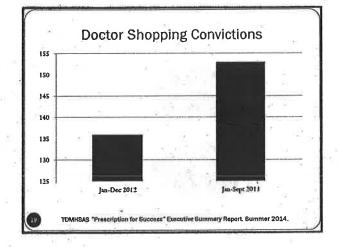
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How are these statistics possible?

- Doctor shopping
- · Shift in prescribing practices
- · Different ways to access

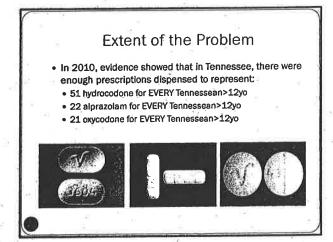
Doctor Shopping

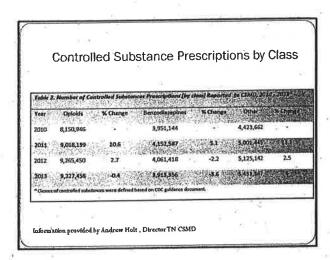
- "The practice of a patient requesting care from multiple physicians simultaneously."
- Stems from a patient's addiction to, or reliance on, certain prescription drugs or other medical treatment.
- Most start as legitimate treatment

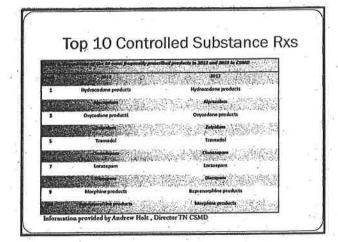


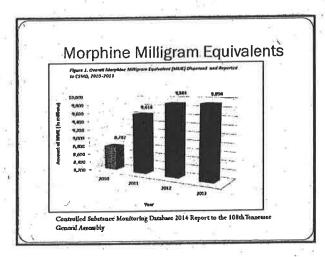
Prescribing Practices

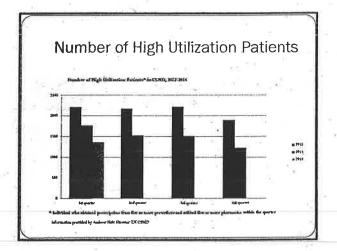
- . Shift in view of how to treat chronic pain.
- Tennessee Intractable Pain Treatment Act enacted in 2001
- Under-prescribing → Over-prescribing





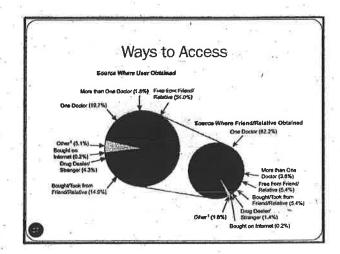


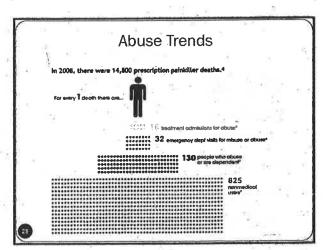


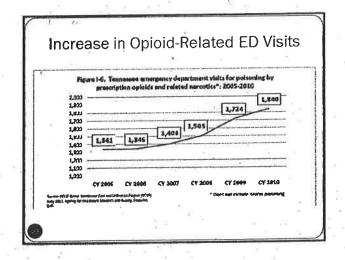


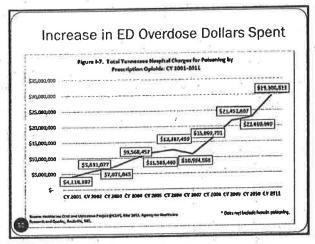
The number one way patients access medications for non-medical use is:

• A. Doctor shopping
• B. Bought on Internet
• C. Drug dealer
• D. Free from friend or relative



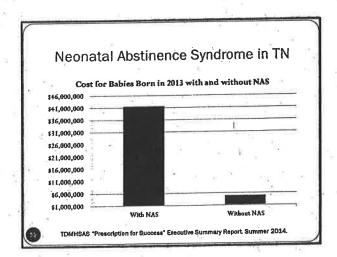






Overdose Deaths

- Number of drug-related deaths due to overdoses increased at a greater rate in Tennessee than in the United States.
- Increase in overdose deaths of 250% from 2001-2011



November 20, 20/19/2015 12:24 pm

Treatment Costs in 2013

 5,854 people addicted to opioids were served by the Department of Mental Health and Substance Abuse Services at a cost of \$16,280,429.



Tennessee Prescription Safety Act

Public Chapter No. 880 Signed by Governor Haslam on May 9th, 2012 Effective April 1, 2013

Tennessee Prescription Safety Act

- Definitions
 - "Dispenser" means a pharmacist, a pharmacy, or any healthcare practitioner who is licensed and has current authority to dispense controlled substances
 - "Healthcare practitioner extender" means any registered or licensed healthcare professional, and up to two (2) unlicensed persons designated by the prescriber or dispenser, who act as agents of that prescriber or dispenser. The prescriber or dispenser shall be responsible for all actions taken by their agents pursuant to this act.

Tennessee Prescription Safety Act

- Who MUST to be registered for the database?
- All prescribers with DEA numbers who prescribe controlled substances and dispensers in practice providing direct care to patients in Tennessee for more than fifteen (15) calendar days per year shall be registered in the controlled substance database.

Tennessee Prescription Safety Act

- . When are you allowed to check the database?
- A dispenser or pharmacist not authorized to dispense controlled substances conducting drug utilization or medication history reviews who is actively involved in the care of the patient
- A dispenser having authority to dispense controlled substances to the extent the information relates specifically to a current or a bona fide prospective patient to whom that dispenser has dispensed, is dispensing, or considering dispensing any controlled substance

Tennessee Prescription Safety Act

- When MUST you check the database?
- All prescribers or their extenders must check the database prior to prescribing any opioid or benzodiazepine to a human patient at the beginning of a new episode of treatment and at least annually thereafter as long as that drug remains part of their treatment
- Before dispensing, a dispenser shall have the professional responsibility to check the database or have a health care practitioner extender check the database if the dispenser is aware or reasonably certain that a person is attempting to obtain a Schedule II-V controlled substance, identified by the committee as demonstrating a potential for abuse for fraudulent, illegal, or medically inappropriate purposes

Tennessee Prescription Safety Act

- . How often do you have to report?
 - At least once every seven (7) days for all the controlled substances dispensed during the preceding seven (7) day period
- When do you NOT have to report to the CSMD?
 - . Drugs administered directly to the patient
 - Drug samples
 - Drugs dispensed for a non-human by a veterinarian for a quantity of less than 48 hours supply
 - Registered narcotic treatment programs (21 CFR 1304 24)
 - Drugs dispensed by a licensed healthcare facility for a quantity of less than a 48 hour supply

Senate Bill No. 676

Addison Sharp Prescription Regulatory Act of 2013
Public Chapter No. 430
Signed by Governor Haslam on May 16, 2013
Became effective October 1, 2013

Addison Sharp Act

- Required the commissioner of health to develop recommended treatment guidelines for prescribing of oploids, benzodiazepines, barbiturates, and carisoprodol
 - · must be reviewed and updated annually
- · Guldelines submitted to/reviewed by
 - prescribing boards that license health professionals who can legally prescribe controlled substances
 - board of pharmacy

Addison Sharp Act

- · All prescribers who
- hold a current DEA license (AND)
- · who prescribe controlled substances

MUST

(complete at least 2 (two) hours of continuing education (CE) related to controlled substance prescribing blennially to count toward the licensees' mandatory CE)

Addison Sharp Act

- The bill was amended to specify that no prescription for a schedule If-IV controlled substance may be dispensed in quantities greater than a 30 day supply.
- No opioids, benzodiazepines, barbiturates, or carisoprodol may be dispensed directly by a registered pain management clinic.

Addison Sharp Act

- If a prescriber dispenses any opioids, benzodiazepines, barbiturates, or carlsoprodol, then the prescriber must submit the transaction to the controlled substances monitoring database.
- Generally, any prescriber of oploids, benzodiazepines, barbiturates or carisoprodol to patients who are chronic, long-term drug therapy for 90 days or longer must consider mandatory urine drug testing.

Chronic Pain Guidelines

Tennessee Clinical Practice Guidelines for Outpatient
Management of Chronic Pain

Morphine Equivalent Dose (MED)

- "Equipotent dose of any opioid in terms of morphine"
- As MED increases, the likelihood of any side effects increases, therefore identifying at-risk patients is a crucial first step towards improving patient safety.

MED Conversion Formula: MED= (Drug Strength)(Drug Quantity)(Morphine Equivalent Multiplier)/(Day Supply)

Chronic Pain Guidelines

- Treatment with Opioids: Key Principles
 - All chronic opioid therapy should be handled by a single provider or practice and all prescriptions should be filled in a single pharmacy, unless the provider is informed and agrees that the patient can go to another pharmacy for a specific reason.
 - 2. Oploids should be used at the lowest effective dose
 - A provider should not use more than one shortacting opiate concurrently. If a provider deems it necessary to do so then the medical reason shall be clearly documented

Chronic Pain Guidelines

- Pain Medicine Specialist:
- "Medical specialty dedicated to the prevention, evaluation and treatment of people with chronic pain."
- Have fellowship training from American Board of Medical Specialists (ABMS) or additional training in pain medicine sufficient to obtain American Board of Pain Medicine (ABPM) diplomat status.

November 20, 2015/2015 12:24 pm

Chronic Pain Guidelines

- · Tiers for the treatment of pain management
 - Tier 1: Non-Pain Medicine Specialists
 - Tler 2: Pain Medicine Specialists

Chronic Pain Guidelines

- Tier 1: Non-Pain Medicine Specialists
- All providers who wish to treat patients requiring less than 120 milligram morphine equivalent daily dose (MEDD) shall
 - Hold a valid Tennessee license issued by their respective board through the Department of Health and a current DEA certification.
 - Attend Continuing Education pertinent to pain management as directed by their governing board.
- Recommends, but does not require, that providers have completed three years of residency training and be ABMS board eligible of board certified.

Chronic Pain Guidelines

- Tier 1: Non-Pain Medicine Specialists (cont.)
 - All providers wishing to treat patients requiring 120 MEDD or more shall consult with a Pain Medicine Specialist.
 - Providers treating patients with ongoing opioid therapy (prescribing of 120MEDD for more than six months in any calendar year) shall obtain at least one annual consultation with a Pain Medicine Specialist. Patients with more complicated cases may require more frequent consultation.

Chronic Pain Guidelines

- Tier 2: Pain Medicine Specialists shall hold
 - ABMS subspecialty certification in Pain Medicine under the boards of, Anesthesia, Neurology, Psychiatry and Physical Medicine & Rehabilitation and:
 - An unencumbered Tennessee license and,
 - The minimum number of CME hours in pain management to satisfy retention of ABMS certification.
 - Any exceptions to this must be approved by the respective regulatory board; <u>OR</u>

Chronic Pain Guidelines

- Tier 2: Pain Medicine Specialists shall hold (cont.)
 - 2. ABPM diplomat status by 7/1/2016 and:
 - a) Unencumbered Tennessee license and,
 - The minimum number of CME hours in pain management to satisfy retention of ABPM diplomat
 - Any exceptions to this must be approved by the respective health related licensing and regulatory board.
 - Current pain medicine specialists who are qualified to take the ABPM exam may continue to practice as a pain medicine specialist until 7/1/16, when diplomat status will be required.

SENATE BILL NO. 1391

Public Chapter No. 820 Signed by Governor Haslam on April 29th, 2014 Effective June 1, 2014

SENATE BILL NO. 1391

- women shall be criminally charged with "...an assaultive offense for the Illegal use of a narcotic drug while pregnant, if her child is born addicted to or harmed by the narcotic drug... or for criminal homicide if her child dies as a result of her illegal use of a narcotic drug taken while pregnant."
- ...a woman actively enrolled in an addiction recovery program before the child is born, [shall] remain in the program after delivery, and successfully complete the program, regardless of whether the child is born addicted to or harmed by the narcotic drug.

SENATE BILL NO. 1631

Public Chapter No. 623 Signed by Governor Haslam on, April 4, 2014 Effective July 1,2014

Naloxone Bill

- This bill authorizes a health care practitioner to prescribe an opioid antagonist in the following circumstances:
 - (1) The practitioner is licensed to do so;
 - (2) The practitioner is acting in good faith; and
 - (3) The prescription is for a person at risk of experiencing an opiate-related overdose, or for a family member, friend, or a person who is in a position to assist a person at risk of experiencing an opiate-related overdose.
- This bill defines "opioid antagonist" as naloxone hydrochloride, which is FDA-approved for the treatment of a drug overdose.

Naloxone Bill

- This bill authorizes an individual who receives an opioid antagonist that was prescribed under this bill, to administer it to another person if individual has a good faith belief that the other person is experiencing an opioid related overdose, and the individual exercises reasonable care in administering the drug.
- This authorization is granted ONLY after the person administering the medication exhibits competency by completion of an online overdose education program.

Naloxone Bill

 Under this bill the practitioner and the person administering the drug will be immune from civil liability for actions authorized by this bill, unless there is a showing of gross negligence or willful misconduct. Also, the practitioner will be immune from disciplinary or adverse administrative actions.

SENATE BILL NO. 1832

Public Chapter No. 872
Signed by Governor Haslam on May 1st, 2014
Effective July 1, 2014

SENATE BILL NO. 1832

- Pharmacles must "[...]require the person taking possession of the dispensed prescription to present a valid government issued identification or public or private insurance card, unless the person is personally known to[...]" the pharmacy "[...]for any schedule II-IV opioid, benzodiazepine, zolpidem, barbiturate, or carisoprodol medication for greater than a seven (7) day supply[...]"
- Professional judgment may be used when dispensing prescriptions to minors or homeless people without these forms of documentation.
- Prescriptions dispensed by veterinarians, to hospital patients, nursing home and assisted living patients, mental health residential patients, incarcerated patients, and inpatients of drug treatment facilities are exempt.

SENATE BILL NO. 2547

Public Chapter No. 1011 Transmitted to Governor Haslam on April 22nd, 2014 Effective January 1, 2016

SENATE BILL NO. 2547

- Dispensers will be required to submit reports to the CSMD at least every business day.
- Data must be reported by no later than close of business on the following business day.
- Requirements for reporting by veterinarians will remain at once every seven (7) days.

Prescription for Success

TDMHSAS Summer 2014

Prescription for Success

"The Tennessee Department of Mental Health and Substance Abuse Services is designated as the Single State Authority for issuess regarding mental health and substance abuse services, and has responsibility for setting a direction and leading coordinated efforts to address the prescription drug epidemic in Tennessee."

Prescription for Success Goals

Decrease the number of Tennesseans who

- · abuse controlled substances
- · overdose on controlled substances

Decrease

 the amount of controlled substances dispensed in Tennessee

Prescription for Success Goals

Increase

- · access to drug disposal outlets in Tennessee
- access and quality of early intervention, treatment and recovery services.

Expand collaborations and coordination

- among state agencies
- with other states

Prescription for Success

Organizations currently involved

- Tennessee Department of Mental Health and Substance Abuse
- Tennessee Department of Health
- Tennessee Department of Safety and Homeland Security
- Tennessee Bureau of Investigation
- United States Drug Enforcement Administration
- Tennessee Department of Correction
- Tennessee Department of Children's Services
- TennCare
- Legislation

SUPPLEMENTAL #1 November 20, 2015/2015 12:24 pm

Supplemental Resources

National Council on Patient Information and Education (www.talkaboutrx.org)

National Institute on Drug Abuse (www.nida.nih.gov)

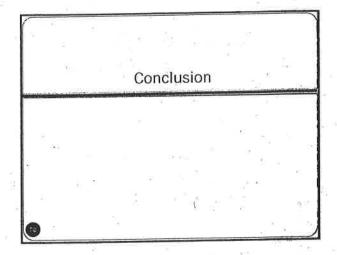
Office of National Drug Control Policy (www.whitehousedrugpolicy.gov)

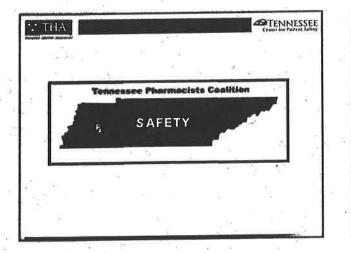
Parents.The Anti-Drug (www.theantidrug.com)

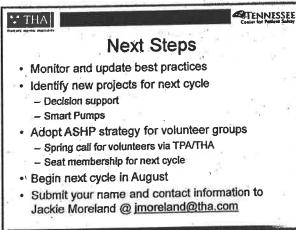
Partnership for a Drug-Free America (www.drugfree.org)

Stop Medicine Abuse (www.stopmedicineabuse.org/)

Substance Abuse and Mental Health Services Administration(www.samhsa.gov)







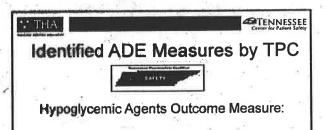


- Total # doses of Narcan dispensed
- Total # doses of Opioids dispensed



Anticoagulants Outcome Measure:

- Total # patients with an INR > or equal to
 4.0
- Total # doses of Warfarin or Coumadin dispensed



- Total # patients with a blood glucose equal to or less than 70
- Total # doses of Insulin dispensed



Tennessee Pharmacists Coalition

- Mark Sullivan, PharmD, MBA, BCPS, Chairman, Tennessee Pharmacists
 Taskforce & Director, VUH Pharmacy Operations, Vanderbilt University Hospital
- Chris Clarke, RN, BSN, Senior Vice President, Clinical and Professional Practices, Tennessee Hospital Association
- Jackle Moreland, RN, BSN, MS, Clinical Quality Improvement Specialist, Tennessee Center for Patient Safety, Tennessee Hospital Association
- Todd Bess, PharmD, BCPS, Assistant Dean for Middle Tennessee, Director, Nashville Clinical Education Center & Statewide Community Pharmacy Residency Program, University of Tennessee College of Pharmacy
- Jeff Binkley, PharmD, BCNSP, FASHP, Director of Pharmacy, Maury Regional Medical Conternal
- Baeteena Black, DPh, Executive Director, Tennessee Pharmacists Association
- Hayley Burgess, PharmD, Director of Medication Safety and System Innovations, Clinical Services Group/HCA



Tennessee Pharmacists Coalition

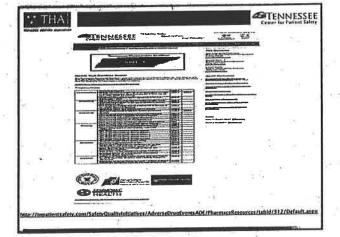
- Jason Certer, PharmD, Chief Pharmacist TN Department of Mental Health and Substance Abuse Services, Tennessee State Opiold Treatment Authority, Associate Professor, University of Tennessee College of Pharmacy
- Micah Cost, PharmD, Director of Professional Affairs, Tennessee Pharmacist Association
- Brian Esters, PharmD, CPPS, Assistant Professor of Pharmacy Practice, South College School of Pharmacy
- Carly Feldott, PharmD, Medication Safety Program Director, LifePoint
- Brandy Greene, PharmD, Clinical Pharmacy Manager, Saint Thomas at
- Leah Ingram, PharmD, Director of Pharmacy, Cookeville Regional Medical
- . Keith Kuboske, PharmD, Director of Pharmacy, NorthCrest Medical Center





Tennessee Pharmacists Coalition

- Carmen Leffier, D.Ph., MS, Director of Pharmacy, Saint Thomas West Hospital
- Andrew Martin, Pharm.D, Associate Professor of Pharmacy Practice, Union University School of Pharmacy
- Susan Morley, PharmD, Assistant Professor, Lipscomb University College of Pharmacy
- David Mutherin, Pharmo, BCPS, Informatics Pharmacist, Vanderbilt University Hospital
- Sherry Osborne, DPh, Executive Director of Pharmacy, Jackson-Madison County General Hospital; Faculty Union University School of Pharmacy
- Callta Richards, PharmD, MPH, Director of Pharmacy, Tennessee Department of Health
- Kay Ryan, DPh, MS, MBA, Certified L/S Green Belt, Pharmacy Director, Regional Medical Center at Memphis





TENNESSEE

Upcoming Events

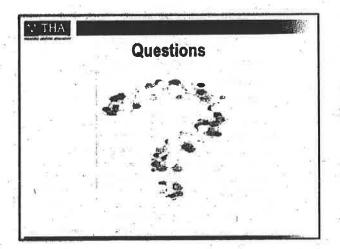
- TCPS August Regional Meetings:
 - Knoxville Tuesday August 19th
 - Nashville Thursday August 21st
- Memphis Tuesday August 26th
- 2014 THA Leadership Summit
 - Wednesday November 5th at the Gaylord Opryland Hotel and Convention Center in conjunction with THA's Annual Meeting. Make plans to showcase your improvement work by submitting a poster for presentation. Contact Chris Clarke at <u>cclarke@tha.com</u> for details



- Webinar Evaluation: Earn contact hours for webinar participation after completing
- TCPS Newsletter: Sent every Tuesday afternoon
- IHI Open School: THA is providing free access to the IHI Open School curriculum for 2014 to employees and trustees of our safety partner heartists.
- AHRQ Hospital Survey on Patient Safety (HSOPS): The Tennessee Center for Patient Safety offers the survey to all safety partners at NO COST. Go to www.tnpatientsafety.com Tools and Resources
 AHRQ Culture Survey for more information.



- THA is providing free access to the IHI Open School curriculum to employees and trustees of our safety partner hospitals.
- 21 online, self-paced courses including 72 lessons and corresponding resources—videos, case studies, podcasts, featured articles, exercises, networking
- Free app for the iPhone and iPad by logging onto ITunes
- Over 25 contact hours available for CME, CNE, CPHQ and ACPE credit
- Certificate of completion
- Register using instructions. Type "<u>Tennessee Hospital Association</u>" as your facility to receive free membership.
- 2. Once registered, go to the course page: www.ihi.org/ims
- 3. Click the online learning tab and choose a lesson
- 4. Click Begin Lesson



Attachment C, Orderly Development, Item 8
Regulatory Licensure Surveys

November 20, 2015 12:24 pm

SUMMARY OF STATE LICENSURE SURVEYS

- 1. Crossroads Treatment Center of Asheville (3/13/2015-3/15/2015). A site visit was conducted from 3/13/2015 to 3/15/2015. Based on this site visit, the only citation was for the water temperature which is a Type A violation. The surveyors/auditors stated that the charts look good and are very well organized. They also stated that the patients were very complimentary of the staff.
- 2. Crossroads of Northwest GA (Complaint survey 8/25/2015 and Survey 6/26/2015). A complaint investigation was completed on 8/25/15 and no deficiencies were cited. A survey was conducted on 6/26/15 and no deficiencies were cited.
- 3. Crossroads of Weaverville (7/9/2015). An annual, complaint and follow-up survey was completed on 7/09/15. All previous deficiencies were found to be in compliance. The survey report cited a new standard level deficiency. The facility was found not to be following its Governing Body Policies in relation to documentation (physician not consistently dating his signature). Additional inspection on 11/12/2015 for investigation of complaint. Complaint was unsubstantiated and all areas in compliance. One additional deficiency cited related to reporting incident to local regulatory group for patients that reside in TN. This is done automatically when incident is filed on line, but facility had faxed its report. CARF_Survey 10/15/2015: Federal Accreditation Survey resulting in highest accreditation (3 year) (accreditation extends through October 2018).
- 4. Crossroads Treatment Center of Greensboro (5/21/2015). Annual Survey with no cited deficiencies.
- 5. Crossroads of Columbia (4/10/2014 through 4/14/2014). A routine inspection was completed from 4/10/2014 to 4/14/2014. Deficiencies were cited for failure to document appropriate services for nutritional counseling and parent training for one pregnant client. In addition, there was a deficiency cited for failure to test on a weekly basis after a patient failed a urinalysis on 11/22/2013 and the next lab results were not received until 12/16/13. A plan of correction was submitted and accepted.
- 6. Crossroads of Greenville (6/10/2014). A complaint investigation was conducted on 6/10/2014. The resulting report cited the facility for late notification to some providers in the area of individuals who requested admission or inability to verify that all intended recipients had been notified. In addition, there was no documentation of notification for the week of 6/2/2014 to 6/6/2014. The facility was also cited for failing to notify the Health Facilities Licensing Bureau of a change in the administrator of record which occurred approximately one month prior to the inspection. A plan of correction was required, and the facility submitted the plan on 6/25/2014.
- 7. Crossroads Treatment Center at Sugarloaf (1/30/2015). The Georgia Drugs and Narcotics Agency conducted a pharmacy inspection report on 1/30/2015. The only finding was a not acceptable for the emergency kits because three of the Narcan kits were expired. The inspection report indicated that the regional director performs monthly inspections and that the Narcan would be checked at the next inspection. CARF Survey (10/16/2015): Federal Accreditation Survey resulting in highest accreditation.

November 20, 2015 12:24 pm

- 8. Crossroads of Danville 09/10/2015). Annual Licensing Survey two minor deficiencies. The CSAC Credential for the employee #2 had expired as of 6/30/15. Second deficiency related to lack of documentation for one patient between provider and referral agency.
- 9. Crossroads of Seneca Facility has not been operational long enough to undergo state inspection.

The following facilities received licensure in 2015. No surveys have been conducted.

- 1. Crossroads Treatment Center of Calhoun PC.
- 2. Crossroads Treatment Center of LaGrange PC.
- 3. Crossroads Treatment Center of Charleston PC.



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SUPPLEMENTAL #1

Waller Lansden Dortch & Dav November 420 p. 2015
511 Union Street, Suite 2700
P.O. Box 198966
Nashville, TN 37219-8966

Kim Harvey Looney 615.850.8722 direct kim.looney@wallerlaw.com

November 9, 2015

<u>VIA CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

Congressman Phil Roe U.S. Representative Tennessee District 1 Higher Education Building 205 Revere Street Kingsport, TN 37660

1609 Walters State CC Drive Suite 4 Morristown, TN 37813

Re: Crossroads Treatment Centers CN1511-048

Dear Congressman Phil Roe:

This letter will serve as notice that our letter to you dated November 6, 2015, a copy of which is attached, incorrectly stated the wrong zip code and CON number for the attached-referenced CON project. The correct zip code is 37601 and the CON number is CN1511-048.

If you have any questions, please contact me at 615-850-8722 or by email at Kim.Looney@wallerlaw.com.

Sincerely,

Kim Harvey Looney

KHL:lag Enclosures waller

November 20, 2015

Waller Lansden Dortch & Davis, 12:24 615 244.6380 main 511 Union Street, Suite 2700 511 Union Street, Suite 2700 P.O. Box 198966 Nashville: TN 37219-8966

wallerlaw.com

Kim Harvey Looney 615.850.8722 direct kim.looney@wallerlaw.com

November 6, 2015

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

Congressman Phil Roe U.S. Representative Tennessee District 1 Higher Education Building 205 Revere Street Kingsport, TN 37660

1609 Walters State CC Drive Suite 4 Morristown, TN 37813

Re: Crossroads Treatment Centers CN1504-015

Certificate of Need

Dear Congressman Phil Roe:

This letter will serve as notice (pursuant to Tennessee Code Annotated 68-11-1607(c)(3)) that our client, Crossroads Treatment Centers filed a Certificate of Need with the Tennessee Health Services and Development Agency ("HSDA") on November 6, 2015 for the establishment of a non-residential substitution based treatment center for opiate addiction to be located on Princeton Road, where a street address has not yet been assigned, between Susannah Street and Wesley Street, on land that is currently vacant next to the Princeton Medical Center building, Johnson City (Washington County), Tennessee 37604. Attached is a copy of the Letter of Intent as filed with the HSDA.

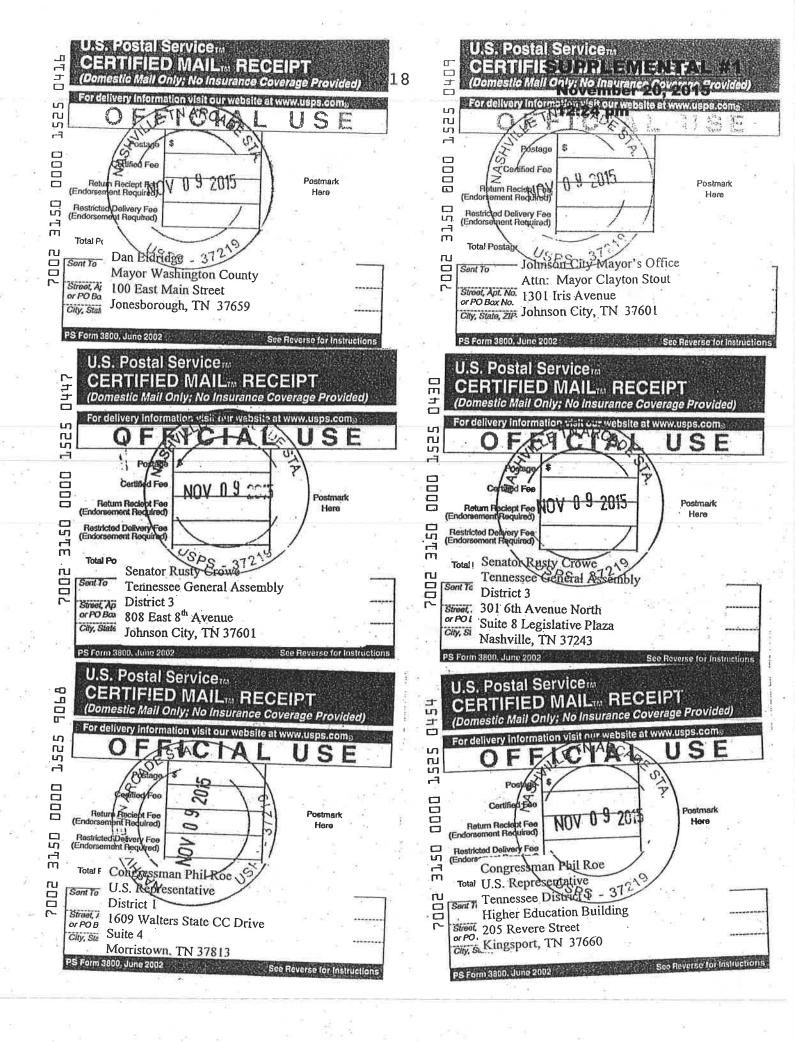
If you have any questions, please contact me at 615-850-8722 or by email at kim.looney@wallerlaw.com.

Sincerely,

Kim Harvey Looney

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KHL:lg Enclosure



U.S. Postal Scilling Section 1971

CERTIFIED MAIL... SECTIPT

(Domestic Mail Only: No Insurance Coverage Provided)

For delivery Information vian viar, Jevising 1, www.uspa.coms

Certified 60

Return Reciept Fea (Endorsement Required)

Restricted Delivery Fea (Endorsement Required)

Total Por Representative dames "Michia" Van Huss

Total Por District 6

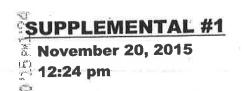
Street, Apt. 301 6th Avenue North

or PO-Box Suite 23 Legislative Plaza

City, State, Nashville, TN 37243

PS Form 3800, June 2002

See Reverse for Instructions



AFFIDAVIT

STATE OF TENNESSEE
COUNTY OF DAVIDSON

NAME OF FACILITY: CROSSROADS TREATMENT CENTERS CN1511-048

I, KIM H. LOONEY, after first being duly sworn, state under oath that I am the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete.

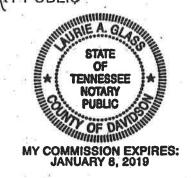
Signature/Title

Sworn to and subscribed before me, a Notary Public, this the 20th day of November, 2015, witness my hand at office in the County of Davidson, State of Tennessee.

My commission expires: January 8, 2019

HF-0043

Revised 7/02



November 20, 2015 12:24 pm

Attachment 21 Affidavit of Publication

November 20, 2015 12:24 pm

JOHNSON CITY PRESS 204 W. Main Street Johnson City, TN 37604 AFFIDAVIT OF PUBLICATION

AD# 1268753

ADTES:

ADTERICATION OF INTENT TO APPLY FOR CHAIR STATE AND APPLY FOR CHAIRCATE OF REED

This is a words official notice to the Aballi Souries and Development Agency and the relief parties in residence with TC A \$ 782 to 161 fer so, and the relief parties in residence with TC A \$ 782 to 161 fer so, and the relief parties in residence with TC A \$ 782 to 161 fer so, and the relief parties of the

State of Tennessee)
Carter County)
Washington County)

Teresa Hicks makes the oath that she is a

daily newspaper published in Johnson Cit

advertisement was published in said pap

 $\frac{11-6-2015}{2}$ and ending o

Sworn to and Subscribed before me this

Month

Day

. .

2015

Connie N. Guinn Notary Public

My commission expires on 03/28/2017

This legal notice was published online at www.publicnoticeads.com during the duration of the run dates listed. This publication fully complies with Tennessee Code Annotated 1-3-20

November 20, 2015 12:24 pm

Attachment 22

Revised Notification Letters to Government Officials



224

SUPPLEMENTAL #1

511 Union Street, Suite 2700 P.O. Box 198966 Nashville, TN 37219-8966

Waller Lansden Dortch & Davi November 20, m2015 12:24 prhrlaw.com

Kim Harvey Looney 615.850.8722 direct kim.looney@wallerlaw.com

November 9, 2015

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

Johnson City Mayor's Office Attn: Mayor Clayton Stout 1301 Iris Avenue Johnson City, TN 37601

Re: Crossroads Treatment Centers CN1511-048

Dear Mayor Stout:

This letter will serve as notice that our letter to you dated November 6, 2015, a copy of which is attached, incorrectly stated the wrong zip code and CON number for the attached-referenced CON project. The correct zip code is 37601 and the CON number is CN1511-048.

If you have any questions, please contact me at 615-850-8722 or by email at Kim.Looney@wallerlaw.com.

Sincerely,

Kim Harvey Looney

-91 Loon

4813-9094-3274.1

KHL:lag Enclosures waller

Waller Lansden Dortch & Davis, 511 Union Street, Suite 2700 P.O. Box 198966 Nashville, TN 37219:8966

12:24 1611 6804 fax wallerlaw.com

Kim Harvey Looney 615.850.8722 direct kim.looney@wallerlaw.com

November 6, 2015

<u>VIA CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

Johnson City Mayor's Office Attn: Mayor Clayton Stout 1301 Iris Avenue Johnson City, TN 37601

> Re: Crossroads Treatment Centers CN1504-015 Certificate of Need

Dear Mayor Stout:

This letter will serve as notice (pursuant to Tennessee Code Annotated 68-11-1607(c)(3)) that our client, Crossroads Treatment Centers filed a Certificate of Need with the Tennessee Health Services and Development Agency ("HSDA") on November 6, 2015 for the establishment of a non-residential substitution based treatment center for opiate addiction to be located on Princeton Road, where a street address has not yet been assigned, between Susannah Street and Wesley Street, on land that is currently vacant next to the Princeton Medical Center building, Johnson City (Washington County), Tennessee 37604. Attached is a copy of the Letter of Intent as filed with the HSDA.

If you have any questions, please contact me at 615-850-8722 or by email at kim.looney@wallerlaw.com.

Sincerely,

Kim Harvey Looney

in 94 foone

KHL:lg Enclosure

November 20, 2015



State of Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor

502 Deaderick Street Nashville, TN 37243

www.tn.gov/hsda

Phone: 615-741-2364 Fax: 615-741-9884

LETTER OF IN	TENT
The Publication of Intent is to be published in the The Johnson	City Press
which is a newspaper of general circulation in the county of:	Washington
Tennessee on or before November 6 20	15 for one day. Year)
This is to provide official notice to the Health Services and accordance with T.C.A. § 68-11-1601 et seq., and the Rules of	Development Agency and all interested parties, in the Health Services and Development Agency, that:
AU AU	N/A
Crossroads Treatment Centers (Name of Applicant)	(Facility Type-Existing)
C. T. Cities	
	an ownership type of Professional Corporation
owned by. 120	
Crossroads of Tri-Cities	nds to file an application for a Certificate of Need
and to be managed by.	74 21 17 18 18 18 18 18 18 18 18 18 18 18 18 18
for: the establishment of a non-residential substitution-based (methadone) treatment center for opiate addiction, and
The section	THE DA GETEINDER SHITTINGSICH OIL I LINCOLOM TOUGH WITH
the Princeton Medical Center building, Johnson City (Washington C	ounty), Tennessee 37004. The cost of the project w
expected to be less than \$1.9 million.	
The anticipated date of filing the application is: On or befo	re November 11 , 20 <u>15</u>
	Attorney Attorney
The contact person for this project is Kim H. Looney, E. (Contact	Name) (Title)
who may be reached at: Waller Lansden Dortch & Davis (Company Name)	(Address)
	19 615 / 850-8722
Nashville TN 372	19 (Dt Number)
November 6, 20	15 Kim.Looney@wallerlaw.com (Email-Address)
(Signature) (Date)	
The Letter of Intent must be filed in triplicate and received be	tween the first and the tenth day of the month. If the
The Letter of Intent must be filed in triplicate and received by	must occur on the preceding business day. File this

last day for filing is a Saturday, form at the following address:

Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, Tennessee 37243

The published Letter of Intent must contain the following statement pursuant to T.C.A. § 68-11-1607(c)(1). (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.



227

SUPPLEMENTAL #1

Waller Lansden Dortch & Davis **November: 20,n2015**511 Union Street, Suite 2700
P.O. Box 198966
Nashville, TN 37219-8966

Kim Harvey Looney 615.850.8722 direct kim.looney@wallerlaw.com

November 9, 2015

<u>VIA CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

Dan Eldridge Mayor Washington County 100 East Main Street Jonesborough, TN 37659

Re: Crossroads Treatment Centers CN1511-048

Dear Mayor Eldridge:

This letter will serve as notice that our letter to you dated November 6, 2015, a copy of which is attached, incorrectly stated the wrong zip code and CON number for the attached-referenced CON project. The correct zip code is 37601 and the CON number is CN1511-048.

If you have any questions, please contact me at 615-850-8722 or by email at Kim.Looney@wallerlaw.com.

Sincerely,

Kim'Harvey Looney

. . .

KHL:lag Enclosures

November 20, 2015

Waller Lansden Dortch & Davis, LLP 615,244 6380 mar 511 Union Street, Suite 2700 12:246 ptm 6804 lac 511 Union Street, Suite 2700 P.O. Box 198966 Nashville, TN 37219-8966

walleday con

Kim Harvey Looney 615.850.8722 direct kim.looney@wallerlaw.com

November 6, 2015

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

Dan Eldridge Mayor Washington County 100 East Main Street Jonesborough, TN 37659

waller

Crossroads Treatment Centers CN1504-015 Certificate of Need

Dear Mayor Eldridge:

This letter will serve as notice (pursuant to Tennessee Code Annotated 68-11-1607(c)(3)) that our client, Crossroads Treatment Centers filed a Certificate of Need with the Tennessee Health Services and Development Agency ("HSDA") on November 6, 2015 for the establishment of a non-residential substitution based treatment center for opiate addiction to be located on Princeton Road, where a street address has not yet been assigned, between Susannah Street and Wesley Street, on land that is currently vacant next to the Princeton Medical Center building, Johnson City (Washington County), Tennessee 37604. Attached is a copy of the Letter of Intent as filed with the HSDA.

If you have any questions, please contact me at 615-850-8722 or by email at kim.looney@wallerlaw.com.

> Sincerely, Hin I . Soone

Kim Harvey Looney

KHL:lg Enclosure

waller

Waller Lansden Dortch & Davis **November 20** ,n**2015**511 Union Street, Suite 2700
P.O. Box 198966
Nashville, TN 37219-8966

Kim Harvey Looney 615.850.8722 direct kim.looney@wallerlaw.com

November 9, 2015

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

Representative James "Micha" Van Huss Tennessee General Assembly District 6 301 6th Avenue North Suite 23 Legislative Plaza Nashville, TN 37243

Re: Crossroads Treatment Centers CN1511-048

Dear Representative Van Huss:

This letter will serve as notice that our letter to you dated November 6, 2015, a copy of which is attached, incorrectly stated the wrong zip code and CON number for the attached-referenced CON project. The correct zip code is 37601 and the CON number is CN1511-048.

If you have any questions, please contact me at 615-850-8722 or by email at Kim.Looney@wallerlaw.com.

Sincerely,

Kim Harvey Looney

KHL:lag Enclosures

November 20, 2015

Waller Lansden Dortch & Davis, 511 Union Street, Suite 2700 P O Box 198966 Nashville, TN 37219-8966

12:24 (380 main 4 6804 fax wallerlaw.com

Kim Harvey Looney 615.850.8722 direct kim.looney@wallerlaw.com

November 6, 2015

<u>VIA CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

waler

Representative James "Micha" Van Huss Tennessee General Assembly District 6 301 6th Avenue North Suite 23 Legislative Plaza Nashville, TN 37243

Re: Crossroads Treatment Centers CN1504-015

Certificate of Need

Dear Representative Van Huss:

This letter will serve as notice (pursuant to Tennessee Code Annotated 68-11-1607(c)(3)) that our client, Crossroads Treatment Centers filed a Certificate of Need with the Tennessee Health Services and Development Agency ("HSDA") on November 6, 2015 for the establishment of a non-residential substitution based treatment center for opiate addiction to be located on Princeton Road, where a street address has not yet been assigned, between Susannah Street and Wesley Street, on land that is currently vacant next to the Princeton Medical Center building, Johnson City (Washington County), Tennessee 37604. Attached is a copy of the Letter of Intent as filed with the HSDA.

If you have any questions, please contact me at 615-850-8722 or by email at kim.looney@wallerlaw.com.

Sincerely,

Kim Harvey Looney

KHL:lg Enclosure

231

waller

Waller Lansden Dortch & Davi November 20, 2015
511 Union Street, Suite 2700
P.O. Box 198966
Nashville, TN 37219-8966

Kim Harvey Looney 615.850.8722 direct kim.looney@wallerlaw.com

November 9, 2015

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

Senator Rusty Crowe Tennessee General Assembly District 3 301 6th Avenue North Suite 8 Legislative Plaza Nashville, TN 37243

808 East 8th Avenue Johnson City, TN 37601

Re: Crossroads Treatment Centers CN1511-048

Dear Senator Crowe:

This letter will serve as notice that our letter to you dated November 6, 2015, a copy of which is attached, incorrectly stated the wrong zip code and CON number for the attached-referenced CON project. The correct zip code is 37601 and the CON number is CN1511-048.

If you have any questions, please contact me at 615-850-8722 or by email at Kim.Looney@wallerlaw.com.

Sincerely,

Kim Harvey Looney

J. Hoone

KHL:lag Enclosures

November 20, 2015

12:246 pm 6804 fax wallerlaw com

Waller Lansden Dortch & Davis, 511 Union Street, Suite 2700 P.O. Box 198966 Nashville, TN 37219-8966

Kim Harvey Looney 615.850.8722 direct kim.looney@wallerlaw.com

November 6, 2015

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

Senator Rusty Crowe Tennessee General Assembly District 3 301 6th Avenue North Suite 8 Legislative Plaza Nashville, TN 37243

808 East 8th Avenue Johnson City, TN 37601

wa er

Re: Crossroads Treatment Centers CN1504-015

Certificate of Need.

Dear Senator Crowe:

This letter will serve as notice (pursuant to Tennessee Code Annotated 68-11-1607(c)(3)) that our client, Crossroads Treatment Centers filed a Certificate of Need with the Tennessee Health Services and Development Agency ("HSDA") on November 6, 2015 for the establishment of a non-residential substitution based treatment center for opiate addiction to be located on Princeton Road, where a street address has not yet been assigned, between Susannah Street and Wesley Street, on land that is currently vacant next to the Princeton Medical Center building, Johnson City (Washington County), Tennessee 37604. Attached is a copy of the Letter of Intent as filed with the HSDA.

If you have any questions, please contact me at 615-850-8722 or by email at kim.looney@wallerlaw.com.

Sincerely,

Kim Harvey Looney

2. Looney

KHL:lg Enclosure

Supplemental #2 -COPY-

CROSSROADS TREATMENT CENTER

CN1511-048



234

SUPPLEMENTAL #2

Waller Lansden Dortch & Davis, LLP 615,244,6380 main 511 Union Street, Suite 2700 November 25,802 0,15 Nashville, TN 37219-8966

Kim Harvey Looney 615.850.8722 direct kim.looney@wallerlaw.com

November 25, 2015

VIA HAND DELIVERY

Phillip M. Earhart
Health Services Development Examiner
Health Services and Development Agency
Andrew Jackson Building
502 Deaderick Street
9th Floor
Nashville, TN 37243

Re: Crossroads Treatment Centers CN1511-048 - Supplemental Responses Additional Information

Dear Phillip:

This letter is submitted as the supplemental response to your letter dated November 24, 2015, wherein additional information or clarification was requested regarding the above-referenced CON application.

1. Section A, Applicant Profile, Item 6

The assignment and assumption agreement between Calhoun Real Estate, LLC and Crossroads of Tri-Cities Management Company, LLC is not fully executed. Please clarify who will have possession of the property. However, the applicant (Crossroad Treatment Centers of Tri-Cities, PC) must have legal interest in the property, not the management company. Please provide documentation (with all parties' signatures) that the applicant has legal interest in the property.

Response: Crossroads of Tri-Cities Management Company, LLC will have possession of the property, and develop the building that will be included on the property. Included in <u>Attachment A</u>, <u>Applicant Profile, Item 6</u> is an executed updated copy of the Assignment and Assumption Agreement. Thus, Calhoun will assign its rights to the Management Company through the Assignment and Assumption Agreement and the Management Company has executed an Option to Lease which gives the Applicant control of the property.

Please clarify if the applicant will be leasing the property from Crossroads of Tri-Cities Management Company, LLC. If so, please provide a lease agreement and application replacement pages to reflect the lease agreement.

Response: The Applicant will lease from the Management Company. Included as Attachment A, Applicant Profile, Item 6 is a copy of an Option to Lease between the Management Company and the Applicant. Revised application pages are included as Attachment A, Applicant Profile, Item 6.

The Applicant would like to point out that in Tennessee, as in many of the other states in which it operates, corporations are prohibited from practicing medicine, with limited exceptions ("Corporate

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November 25, 2015 12:11 pm

Waller Phillip M. Earhart November 25, 2015 Page 2

Practice"). As such, the clinical aspects of the operation of the OTP must be performed through a physician entity, such as the professional corporation that has been set up in this situation. It is common for the professional corporation to perform the clinical functions and the management functions to be performed by a separate management entity.

The funding documentation from Ally Bank is noted. However, the submitted documentation is for Crossroads Holding LLC, the owner of the management company. Please submit a letter from Ally Bank that identifies the expected interest rate, term of the loan, and any anticipated restrictions or conditions for the applicant Crossroads Treatment Centers of Tri-Cities, P.C.

Response: A letter from Ally Bank that identifies the expected rates, term and conditions is included as Attachment A, Applicant Profile, Item 6. The funding will be provided to the Management Company. The Management Companies are the borrowers under the Loan and Security Agreement and Crossroads Holding, LLC is the guarantor. At the time the loan is made, the document will be executed by Crossroads of Tri-Cities Management Company, LLC.

The Loan and Security Agreement from Ally Bank is noted. However, please provide the signature page.

Response: The signature page from Ally Bank is included as <u>Attachment A, Applicant Profile</u>, Item 6.

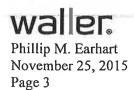
It is noted the following 2 funding letters from the management entity are in the application: 1) A letter from the Chief Financial Officer of Treatment Centers HoldCo, LLC (owner of the management company Crossroads of Tri-Cities Management, LLC) verifying a \$5,000,000 Revolving Note, and 2) an additional letter from Treatment Centers HoldCo CEO verifying funding for the proposed project. Please clarify the reason there are two funding letters in the application from the management company, but not the applicant. If needed, please provide an agreement between Treatment Centers HoldCo, LLC and the applicant, Crossroads Treatment Centers of Tri-Cities, P.C. that the management company will provide funding.

Response: As stated above, funding will be provided to the Management Company. The letters were provided to show that the Management Company would provide the funding. No additional documentation is necessary to show that the Management Company is providing the funding. An Option to Lease has been executed between the Management Company and the PC.

2. Section C, Economic Feasibility, Item 4 (Historical and Projected Data Chart)

The applicant notes in the supplemental response that management fees are included as a PC expense on the LLC (Management Company) financials, and in the Projected Data Chart that the management fee is revenue for the LLC. Please clarify.

November 25, 2015 12:11 pm



Response: The items offset each other so the Applicant does not generally split out the management fee to the PC. As stated below, a Revised Projected Data Chart is included as an attachment to these supplemental questions.

It appears the applicant is 100% owned by Dr. Robert McCormac, while a separate owner (Crossroads Holdings, LLC) is the owner of the Management Company Crossroads of Tri-Cities Management Company, LLC. In addition, the management contract states the applicant will pay the management company 65% of the PC's Net Revenue collected during the preceding month. In Exhibit D of the management agreement it is noted the management fee will be \$600,000 during the first contract year. Since the applicant (Crossroad Treatment Centers of Tri-Cities, PC) is the entity applying for the Certificate of Need, please account for the management fee in the Projected Data Chart and resubmit.

Response: Please see Revised Projected Data Chart included as Attachment C, Economic Feasibility, Item 4, which reflects the management fee of \$600,000. As stated previously, Crossroads generally looks at financials that include both the PC and the Management Company, so that it can get a more accurate picture of the OTP as a whole.

The Historical Data Chart for the Asheville and Weaverville locations are noted. Please provide page 12 for line D.9.

Response: Please see page 12 for the Historical Data Chart for the Asheville and Weaverville locations included as Attachment C, Economic Feasibility, Item 4.

3. Proof of Publication

The publication affidavit which is supplied by the newspaper as proof of the publication of the letter of intent is noted. However, the copy of the publication covers the Affidavit of Publication. Please provide a copy of the affidavit of publication in its entirety.

Response: The original Affidavit of Publication was included with the previous supplementals. The placement of the copy of the publication by the newspaper covers up part of the affidavit. Please see a copy of the Affidavit with the publication notice lifted up so that the Affidavit is visible. It is not possible to copy where both are visible, given the placement of the publication by the newspaper.

Sincerely,

Kim Harvey Looney

KHL:lag Encl.

November 25, 2015 12:11 pm

Attachment A, Applicant Profile, Item 6

- 1. Assignment and Assumption Agreement
- 2. Option to Lease Agreement
- 3. Revised Application Pages
- 4. Ally Bank Funding Letter
- 5. Ally Bank Signature Page to Loan and Security Agreement

November 25, 2015 12:11 pm



Steve Kester
Member
Crossroads of Tri-Cities Management Company, LLC
105 North Spring Street
Suite 109
Greenville, SC 29601

November 23, 2015

This letter is to estimate the expected interest rate, term of the loan, and any anticipated restrictions or conditions of the Johnson City project if it were being funded today.

We understand that management estimates the total funds that would be needed are approximately \$1.9M, which is within the revolver note's limits subject to compliance with the usual and customary financial covenants and no events of default among other documented conditions as fully outlined in the credit agreement.

As per the agreement, the interest rate is floating and set at LIBOR plus 5.00% where LIBOR is a minimum of 1.00%. If the project were funded today, that interest rate would be 6.00%.

As per the credit agreement, the loan matures on December 23, 2019, unless otherwise terminated in accordance with its terms.

If I can answer any questions, please call me on 312-775-7082.

Sincerely,

Mitchell Gruesen

Vice President, Ally Bank

November 25, 2015 12:11 pm

(Signature Page to Loan and Security Agreement)

Witness the due execution hereof by the respective duly authorized officers of the undersigned as of the date first written above.

BORROWER:

TREATMENT CENTERS HOLDCO, LLC, a South Carolina limited liability company CROSSROADS OF ASHEVILLE MANAGEMENT CO., LLC, a North Carolina limited liability company CROSSROADS OF COLUMBIA MANAGEMENT CO., LLC, a South Carolina limited liability company CROSSROADS OF DANVILLE MANAGEMENT CO., LLC, a Virginia limited liability company CROSSROADS OF GREENSBORO MANAGEMENT CO., LLC, a North Carolina limited liability company CROSSROADS OF GREENVILLE MANAGEMENT CO., LLC, a South Carolina limited liability company CROSSROADS OF NORTHWEST GEORGIA MANAGEMENT CO., LLC, a Georgia limited liability company CROSSROADS OF SENECA MANAGEMENT CO., LLC, a South Carolina limited liability company CROSSROADS AT SUGARLOAF MANAGEMENT CO., LLC, a Georgia limited liability company CROSSROADS OF WEAVERVILLE MANAGEMENT CO., LLC, a North Carolina limited liability company CROSSROADS OF CALHOUN MANAGEMENT COMPANY, LLC, a Georgia limited liability company CROSSROADS OF CHARLESTON MANAGEMENT COMPANY, LLC, LLC, a South Carolina limited liability company CROSSROADS OF LAGRANGE MANAGEMENT COMPANY, LLC, a Georgia limited liability company CROSSROARS OF MYRTLE BEACH MANAGEMENT COMPANY, LLC, a South Carolina limited liability company

By:

Rupert J. McCormac N, M.D. Chief Executive Office

November 25, 2015 12:11 pm

(Signature Page to Loan and Security Agreement)

GUARANTOR:

CROSSROADS HOLDING, LLC, a Delaware limited liability company

Arion Robbins Secretary

November 25, 2015 12:11 pm

(Signature Page to Loan and Security Agreement)

MERGER SUB:

CROSSROADS MERGER SUB, LLC, a Delaware

limited liability company

By:__

Arion Robbins Secretary

November 25, 2015 12:11 pm

(Signature Page to Loan and Security Agreement)

AGENT and LENDER:

ALLY BANK

Christopher Lee

Director - Corporate Finance

Revolving Loan Commitment: \$5,000,000.00 Term Loan Commitment: \$10,000,000.00

November 25, 2015 12:11 pm

Attachment C, Economic Feasibility, Item 4

- 1. Revised Projected Data Chart
- 2. Historical Data Chart (Asheville and Weaverville)
 Page 12, Line D.9

November 25, 2015 12:11 pm

Proof of Publication

Copy of Affidavit

November 25, 2015 12:11 pm

JOHNSON CITY PRESS 204 W. Main Street Johnson City, TN 37604 AFFIDAVIT OF PUBLICATION

DATES: State of Tennessee **Carter County Washington County** Teresa Hicks makes the oath that she is a Representative of The Johnson City Press, a daily newspaper published in Johnson City, in said County and State, and that the insertion (s) commencing on advertisement was published in said paper for Teresa Hicks Sworn to and Subscribed before me this 2015 Year Day Month Connie N. Guinn **Notary Public** My commission expires on 03/28/2017

This legal notice was published online at www.johnsoncitypress.com and www.publicnoticeads.com during the duration of the run dates listed. This publication fully complies with Tennessee Code Annotated 1-3-20

November 25, 2015 12:11 pm

JOHNSON CITY PRESS 204 W. Main Street Johnson City, TN 37604 AFFIDAVIT OF PUBLICATION

AD# 1268753

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Sworn to and Subscribed before me this

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2015

Month

Day

Year

Connie N. Guinn Notary Public

My commission expires on 03/28/2017

This legal notice was published online at www.publicnoticeads.com during the duration of the run dates listed. This publication fully complies with Tennessee Code Annotated 1-3-20

November 25, 2015 12:11 pm

AFFIDAVIT

STATE OF TENNESSEE
COUNTY OF DAVIDSON

NAME OF FACILITY: CROSSROADS TREATMENT CENTERS CN1511-048

I, KIM H. LOONEY, after first being duly sworn, state under oath that I am the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete.

Signature/Title

Sworn to and subscribed before me, a Notary Public, this the 25th day of November, 2015, witness my hand at office in the County of Davidson, State of Tennessee.

NOTARY PUBLIC

My commission expires: January 8, 2019

HF-0043

Revised 7/02



Supplemental #3 -COPY-

Crossroads Treatment
Centers

CN1511-048



249

Waller Lansden Dortch & Davis, LLP 15.244,6380 main 511 Union Street, Suite 270 November 30 48 20 45 Nashville, TN 37219-8966

Kim Harvey Looney 615.850.8722 direct kim.looney@wallerlaw.com

November 30, 2015

VIA HAND DELIVERY

Phillip M. Earhart
Health Services Development Examiner
Health Services and Development Agency
Andrew Jackson Building
502 Deaderick Street
9th Floor
Nashville, TN 37243

Re:

Crossroads Treatment Centers CN1511-048 - Third Supplemental Response

Additional Information

Dear Phillip:

This letter is submitted as the supplemental response to your email request November 24, 2015. You have requested additional information on the Corporate Practice of Medicine doctrine in Tennessee, in particular the statutory references. The state's prohibitions against the corporate practice of medicine are established in Tennessee statutory law, case law and Attorney General opinions. The Tennessee Practice of Medicine Act, Tenn. Code Ann. Section 63-6-201 et. seq., and the Tennessee Prohibition Against the Corporate Practice of Medicine Act, Tenn. Code Ann. Section 68-11-205 et. seq., are the statutory references you have requested.

Please let me know if you have any questions.

Sincerely,

Kim Harvey Looney

KHL:lag Enclosure



AFFIDAVIT

STATE OF TENNESSEE
COUNTY OF DAVIDSON

NAME OF FACILITY: CROSSROADS TREATMENT CENTERS CN1511-048

I, KIM H. LOONEY, after first being duly sworn, state under oath that I am the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete.

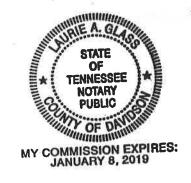
Signature/Title

Sworn to and subscribed before me, a Notary Public, this the 30th day of November, 2015, witness my hand at office in the County of Davidson, State of Tennessee.

My commission expires: January 8, 2019

HF-0043

Revised 7/02





State of Tennessee Health Services and Development Agency

Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

www.tn.gov/hsda

Phone: 615-741-2364 Fax: 615-741-9884

LETTER OF INTENT			
The Publication of Intent is to be published in theThe Johnson City Press			
Which is a newspaper of general circulation in the county of: Washington (Name of Newspaper Washington			
Tennessee, on or before	November 6 (County) , 20 15 for (Month/Day) (Year)	or one day.	
This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. § 68-11-1601 <i>et seq.</i> , and the Rules of the Health Services and Development Agency, that:			
Crossroads Treatment Centers		N/A	
(Name of Applicant) (Facility Type-Existing)			
Crossroads Treatment Centers of Tri-Cities, owned by: PC with an ownership type of Professional Corporation			
and to be managed by: Crossroads of Tri-Cities Management Co., LLC intends to file an application for a Certificate of Need			
for: the establishment of a non-residential substitution-based (methadone) treatment center for opiate addiction, and the initiation of adult opioid treatment program services. The center will be developed and located on Princeton Road, where a street address has not yet been assigned, between Susannah Street and Wesley Street, on land that is currently vacant next to the Princeton Medical Center building, Johnson City (Washington County), Tennessee 37604. The cost of the project is expected to be less than \$1.9 million.			
The anticipated date of filing the application is: On or before November 11 20 15			
The contact person for this proje		Attorney	
	(Contact Name)	(Title)	
who may be reached at:	Waller Lansden Dortch & Davis LLP	511 Union Street, Suite 2700	
(Company Name) (Address)			
Nashville	TN 37219	615 / 850-8722	
De City Long	(State) (Zip Code)	(Area Code) / (Phone Number) Kim.Looney@wallerlaw.com	
(Signatura)	November 6, 2015	(Fmail-Address)	

The Letter of Intent must be <u>filed in triplicate</u> and <u>received between the first and the tenth</u> day of the month. If the last day for filing is a Saturday, Sunday or State Holiday, filing must occur on the preceding business day. File this form at the following address:

Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, Tennessee 37243

The published Letter of Intent must contain the following statement pursuant to T.C.A. § 68-11-1607(c)(1). (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.

HF51 (revised 01/09/2013 – all forms prior to this date are obsolete.)

SUPPORT LETTER(S)

Crossroads Treatment Center

CN1511-048

Lowavia Eden

From:

Melanie-Hill

Sent:

Monday, December 21, 2015 5:09 PM

To:

Mark Ausbrooks; Mark Farber; Lowavia Eden; Phillip M. Earhart; Jim Christoffersen

Subject:

FW: Crossroads Treatment Center

CN1511-048

From: Amy Meeves [mailto:ameeves@gmail.com]
Sent: Saturday, December 19, 2015 8:54 PM

To: Melanie Hill

Subject: Crossroads Treatment Center

*** This is an EXTERNAL email. Please exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email. - STS-Security***

I am writing to briefly offer my insight, for what it's worth, on Crossroads Treatment Center, which is hoping to set up in Johnson City. As a resident of Johnson City, I think this is a fine idea! We are in an area with a huge problem with drugs of all sorts, and while the local community feels fine complaining about the drug issue here in Eastern Tennessee, they also seem just fine complaining about this treatment center coming to the neighborhood. Well, we cannot complain about both the problem AND the solution, now can we?

Last year, almost 50,000 people died from overdose, opioids/opiates being the cause. I'm a chronically ill person, with a neuro-endocrine disorder along with pain complications from a neuro-muscular disease and hypermobile joints, among a long list of other medical issues. Needless to say, I've gone the route of pain meds, and I'm proud to say that because of me, now an entire hospital full of medical staff, and ultimately the entire medical community, knows that people with my particular neuro-endocrine disorder cannot take these meds because they send us into both overdose (liver holds on) and withdrawal (brain gets none). I took my meds by prescription, carefully and with supervision to be sure the time and dose were correct. None of that mattered and I almost died. I had to become non-dependent on these meds. Physically, I wasn't an addict, who was getting extra pills somehow or going off-script. I was following the rules, but dependence and addiction both resolve the same, and both need their own level of compassion, understanding and support. I was forced to get completely off pain meds on my own, with no therapeutic intervention, no pain management skills, no help at all. I was told that I wasn't an addict, so I'd just have to get through it on my own. The only option I had to clean my body of morphine was time and my own will. I wouldn't wish that hell on anyone.

I've spoken at length with Steve Kester, told him my story, which is so much more involved than I have told you, and I believe that there are a lot of people in this area who need safe options for withdrawal and recovery who could be well served by Crossroads. Whether someone is ill and dealing with the nightmare of medications that don't help or cause harm, or someone has found themselves in the hell of addiction to pills, heroin, meth, or other drugs, which I've lived through with my own son, recovery is practically miraculous without the type of treatment, therapy and support that this center will provide. Without treatment, my son would be dead. It wasn't affordable, but the penal system forced him into a drug rehab lockdown program. It would be so much healthier and better for our community to have fewer people in jail taking up our dollars, and going to group and individual therapy, with medical care and close supervision, being more productive in their local neighborhoods and families. Parents are better parents when they aren't in jail, when they are working to get clean and parent, with support. People are able to keep/get jobs and have pride in the process of getting clean and sober. People don't get better in jail or without help in most cases. If they did, we wouldn't be short another 50,000 people due

to one type of medication. Never mind the other drug deaths.

I strongly urge those who are in control of making this decision to allow this center to open. It's disheartening to be ill here and know the numbers of people who are overdosing and overusing their meds and seeing people who are very obviously addicts in need of help. Remember, we cannot both complain about the problem and the solution. We must fix the problem, and the solution for Eastern Tennessee is Crossroads.

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Thank you for your time.

Sincerely, Amy Meeves Ms. Melanie M. Hill Tennessee Health Services and Development Agency 502 Deaderick Street, Andrew Jackson Building, 9th floor Nashville, TN 37243

Ms. Hill:

As the Medical Director for Crossroads Treatment Center (CTC) group's Asheville facility, I would like to give my support of their application for a treatment center in Johnson City, Tennessee. CTC is committed to *helping opioid dependent patients get their lives back*. They offer the highest quality medication-assisted treatment for opiate dependent people, their families and their communities.

The abuse of prescription drugs, specifically opioids, is a clearly documented epidemic in Tennessee. The effects of this addiction can be disastrous to not only the individual, but also the patient's family and the community as a whole. CTC provides education classes as well as individual, group and/or family counseling in conjunction with medical treatment to ensure a more effective program. Studies have shown there is a significantly higher success rate of overcoming addiction when psychological help is provided concurrently with medical treatment.

Residents of the Tri-Cities area who require treatment do not currently have reasonable access to an outpatient treatment program (OTP). Approximately 50 patients from northeast Tennessee currently travel from the Johnson City area to CTC's Asheville facility, which is 60-120 miles from the proposed service area. If this application is approved, an unknown additional number of residents who seek to break the cycle of addiction but cannot make the commute, would be able to receive these necessary services locally.

After working with the dependent population at CTC's Asheville clinic, I have seen firsthand the positive impact treatment has on the people who commit to their recovery and leverage the benefits of treatment. It has been one of the most heartwarming aspects of my medical career to see how much change and healing is possible when motivated patients get the care they need and deserve. I feel that the approval of a CTC center in Johnson City would prove to be a great asset to the local community and help to address the ever-growing opioid addiction problem in northeast Tennessee. CTC is committed to being a responsible partner helping patients to end the cycle of addiction. It seems to me that for far too long, the residents of the Tri-Cities have been denied the benefits that will arise from the presence of a local treatment provider. Imagine a world were a formerly addicted patient can live, work, parent and play, independent of addiction to drugs or other medication. This world is possible when patients get this treatment.

Sincerely,

Dr. Brady Schroer, DO Crossroads Treatment Center of Asheville 6 Roberts Rd Asheville, NC 28803 (800) 805-6989 in a state of the second secon

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Empowered, Invested & Committed to Reproductive Justice

February 8, 2016

Tennessee Health Services & Development Agency (HSDA) ATTN: Melanie M. Hill 502 Deadrick Street Andrew Jackson Bldg., 9th Floor Nashville, TN 37243

Re: Crossroads Treatment Centers

Dear Ms. Hill -

I am writing in in support of the Crossroads Treatment Centers' application for a Certificate of Need to operate an outpatient medication-assisted opioid treatment program in Johnson City, Tennessee.

Since 2014, SisterReach and our partners have been working to fight the current fetal assault law (formerly SB1391) which incarcerates women up to 15 years for struggling with drug addiction if they test positive for opiods (or whatever the TN legislature feels is illegal at their discretion despite the law's language) during labor and delivery.

We remain steadfast in our support for the expansion of treatment facilities throughout Tennessee that intentionally provide services to pregnant women struggling with addiction as we recognize that available care for this population is a disparity in our state. Methadone Maintenance Treatment (MMT) is currently the accepted *standard of care* for pregnant opioid addicted women. Pregnant Women in the Johnson City, TN area currently have to drive hours round trip, and often over dangerous mountain roads in early morning hours, to receive what is the *recommended standard of care* for their condition. Poor women without transportation are locked out of this opportunity altogether even with the current offerings of this area.

It should be the obligation of all of us who can support access to mental and behavioral health services to do our due diligence and support the health and well-being of Tennessee mothers and their families. The current choice is in fact not treatment and has proven to tear families apart with no other alternative for care or support beyond meager offerings of the punitive law.

The Johnson City/Tri-state area currently has the highest number of cases in the state of women in need of methadone management. According to the American Society of Addiction Medicine (ASAM), the Nation's leading group of addiction clinicians and researchers, methadone maintenance treatment (MMT) is effective and safe and is an integral part of addiction treatment. Methadone treatment of addiction is also a crucial resource to decrease the spread of HIV and Hepatitis B and C infection.

Women in Tennessee are afraid of going to jail and are avoiding pre-natal care altogether. Pre-natal care visits are often times the only moments of early detection for drug usage or these sexually and intravenously transmitted infections that our doctors have with mothers. Having a facility in place to help remedy the addiction component only works in the favor of your department, addicted mothers and Tennessee families.

I ask that you consider what it means not to expand care in Tennessee before you make the decision to grant the application to this dire health matter.

I am happy to discuss our position on this matter further if you like and can be reached at 901.310.5488.

Thanks for your consideration and your prompt attention to this matter.

Respectfully,

Cherisse A. Scott Founder/CEO

SisterReach

cherisse@sisterreach.org

February 5, 2016

Tennessee Health Services & Development Agency (HSDA) 502 Deaderick Street
Andrew Jackson Bldg., 9th Floor
Nashville, TN 37243

ATTN: Melanie M. Hill,

This letter is in support of Crossroads Treatment Center. I strongly believe that this organization is a huge benefit to the community and given the opportunity can expand the services they provide to reach a greater demographic of individuals in need of Medication-Assisted Treatment.

A few facts to consider, according to the American Society of Addiction Medicine (ASAM), the Nation's leading group of addiction clinicians and researchers:

- Methadone maintenance treatment (MMT) is effective and safe and is an integral part of addiction treatment
- Methadone treatment of addiction is a crucial resource to decrease the spread of HIV and Hepatitis B and C infection.
- Decisions about the appropriate type, modality and duration of treatment should remain the purview of the treatment provider and the patient, working in collaboration to achieve shared treatment goals.
- Arbitrary limitations on the duration of treatment, medication dosage or on levels of care, that are not supported by medical evidence, are not appropriate can be specifically detrimental to the wellbeing of the patient and his/her community. Thus, such arbitrary treatment limitations should not be imposed by law, regulation, or health insurance practices.

It is my recommendation that Crossroads Treatment Center be granted a certificate of need in the state of Tennessee.

Sincerely,

Christina Juarez
Program Director
MedMark Treatment Center - Savannah

No. 1

91

Lowavia Eden

From:

Melanie Hill

Sent:

Tuesday, February 09, 2016 1:25 PM

To:

Lowavia Eden; Mark Farber; Mark Ausbrooks; Jim Christoffersen

Subject:

FW:

----Original Message-----

From: Dale Miller [mailto:pilotdale1947@yahoo.com]

Sent: Thursday, February 04, 2016 12:01 PM

To: Melanie Hill

Subject:

Ms Hill I ask you to consider, the importance of approval, of Crossroads Treatment Center.

I know several former addicts that are now functional, employed people that are having to drive many miles to receive treatment. We need a clinic here in JOHNSON CITY to treat these and many others. The Princeton Road site is an ideal location. Thanks

Sent from my iPhone

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Tennessee Health Services & Development Agency (HSDA)

ATTN: Melanie M. Hill 502 Deaderick Street

Andrew Jackson Bldg., 9th Floor

Nashville, TN 37243

To Whom It May Concern:

I strongly support the Crossroads Treatment Centers' application for a Certificate of Need to operate an outpatient medication-assisted opioid treatment program in Johnson City, Tennessee. Let me share some truths and I hope you read this letter carefully.

I recently married a man who entered the Methadone Maintenance Program in Nashville, TN 16 years ago after spending more than 15 years addicted to heroin. Methadone maintenance treatment gave him the time to stop chasing drugs, time to grow mentally, and time to focus on finishing a bachelor's degree at the age of 42! He then received a Master's degree in Public Administration. He worked himself out of poverty through education and into a position allows him to give back to the community that saved him in the first place. My husband is a Deputy Project Director on SAMHSA's BRSS-TACS, a Commissioner on Nashville's Homelessness Commission, and helps organizations around the country that are serving our homeless people, and PEERS in Recovery from Mental Health and Addiction backgrounds, and criminal justice backgrounds.

Simply put, without methadone - Steven would be dead.

Here are some facts about MMT, and Methadone – please take a moment to actually read them.

- According to the American Society of Addiction Medicine (ASAM), the Nation's leading group of addiction clinicians and researchers:
- Methadone maintenance treatment (MMT) is effective and safe and is an integral part of addiction treatment
- Methadone treatment of addiction is a crucial resource to decrease the spread of HIV and Hepatitis B and C infection.
- Decisions about the appropriate type, modality and duration of treatment should remain the purview of the treatment provider and the patient, working in collaboration to achieve shared treatment goals.
- Arbitrary limitations on the duration of treatment, medication dosage or on levels of care, that are not supported by medical evidence, are not appropriate can be specifically detrimental to the wellbeing of the patient and his/her community. Thus, such arbitrary treatment limitations should not be imposed by law, regulation, or health insurance practices.
- Traveling hundreds of miles for treatment places significant hardships on patients and their families. Many patients trapped in addiction cannot or will not make the trip, resulting in devastating consequences for the addicts, their families, and their communities.
- -MMT is the most common treatment for opioid addiction chosen by patients and their doctors. Buprenorphine, in-patient treatment, and abstinence-based treatment all have their place in the treatment arsenal. However, researchers found that people who receive adequate amounts of methadone as part of their opioid addiction treatment successfully complete that treatment far

more often (74 percent of the time) than people who receive adequate amounts of buprenorphine/naloxone (46 percent of the time).

- Many Tennessee physicians support MMT but are concerned with the political ramifications of publically doing so.
- The Centers for Disease Control & Prevention (CDC) has declared Methadone Maintenance Treatment (MMT) is the "most effective treatment for oploid addiction."
- The National Institutes of Health (NIH), in their consensus panel statement titled Effective Medical Treatment of Opiate Addiction in 1997 deemed Methadone Maintenance Treatment (MMT) the timeless "gold standard treatment" for opiate addiction.
- Methadone Maintenance Treatment (MMT) is currently the accepted standard of care for Pregnant opioid addicted women. Pregnant Women in the Johnson City, TN area currently have to drive HOURS round trip, and often over dangerous mountain roads in early morning hours, to receive what is the recommended standard of care for their condition.

So now ~ let's make this happen in Johnson City! Please approve their application for a Certificate of Need.

Respectfully,

100 Jondull Way

Lebanon, Tn 37090

615.693.9303

Lowavia Eden

From:

Melanie Hill

Sent:

Friday, February 05, 2016 9:14 AM

To:

'lgau11364@gmail.com'

Cc:

Jim Christoffersen; Mark Farber; Lowavia Eden; Mark Ausbrooks

Subject:

RE: Letter of Support

Thank you for your letter. I will share it with Agency members prior to the February 24 Agency meeting in which the matter will be heard.

Melanie

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

www.tn.gov/hsda

Phone: 615-741-2364 Fax: 615-741-9884

From: Elizabeth Gaughan [mailto:lgau11364@gmail.com]

Sent: Thursday, February 04, 2016 10:12 PM

To: Melanie Hill

Subject: Letter of Support

- *** This is an EXTERNAL email. Please exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email. STS-Security***
- -Please consider all the lives that will be saved and the following points. According to the American Society of Addiction Medicine (ASAM), the Nation's leading group of addiction clinicians and researchers:
- Methadone maintenance treatment (MMT) is effective and safe and is an integral part of addiction treatment
- Methadone treatment of addiction is a crucial resource to decrease the spread of HIV and Hepatitis B and C infection.
- Decisions about the appropriate type, modality and duration of treatment should remain the purview of the treatment provider and the patient, working in collaboration to achieve shared treatment goals.
- Arbitrary limitations on the duration of treatment, medication dosage or on levels of care, that are not supported by medical evidence, are not appropriate can be specifically detrimental to the wellbeing of the patient and his/her community. Thus, such arbitrary treatment limitations should not be imposed by law, regulation, or health insurance practices.
- Traveling hundreds of miles for treatment places significant hardships on patients and their families. Many patients trapped in addiction cannot or will not make the trip, resulting in devastating consequences for the addicts, their families, and their communities.
- -MMT is the most common treatment for opioid addiction chosen by patients and their doctors. Buprenorphine, inpatient treatment, and abstinence-based treatment all have their place in the treatment arsenal. However, researchers

found that people who receive adequate amounts of methadone as part of their opioid addiction treatment successfully complete that treatment far more often (74 percent of the time) than people who receive adequate amounts of buprenorphine/naloxone (46 percent of the time).

- MMT does not deserve its bad reputation.
- Many Tennessee physicians support MMT but are concerned with the political ramifications of publically doing so.
- The Centers for Disease Control & Prevention (CDC) has declared Methadone Maintenance Treatment (MMT) is the "most effective treatment for opioid addiction."
- The National Institutes of Health (NIH), in their consensus panel statement titled *Effective Medical Treatment of Opiate Addiction* in 1997 deemed Methadone Maintenance Treatment (MMT) the timeless "gold standard treatment" for opiate addiction.
- Methadone Maintenance Treatment (MMT) is currently the accepted standard of care for Pregnant opioid addicted women. Pregnant Women in the Johnson City, TN area currently have to drive HOURS round trip, and often over dangerous mountain roads in early morning hours, to receive what is the recommended standard of care for their condition.

 Thank you for you're consideration. Elizabeth Gaughan



Email ThisBlogThis!Share to TwitterShare to FacebookShare to Pinterest

To Whom It May Concern,

I feel there should be a Methadone Treatment Center in Johnson City because if would be more convenient for people who are really trying to get their lives back. I pursonally work I he shifts. I get off work at 9pm. Therefore I don't get much sleep because I have to drive an hour both ways. I'm wouldy at the clinic at 3-4 am so I can be first in line so I can get back home in time to get ready for work If there were a treatment center in Johnson City, more people would be able to work. Also it would more likely put the drug dealers in the area out of buisness. More people would seek treatment if it was closer to home I truly believe it would be better to have a center in the area. Please consider our reguest. Thank you for your time

Jessica Julian

To whom it may concern, I AM writing to express the need for a crosspoods treatment center in Johnson City. I feel strongly that there is a great need for such a place in Johnson city. I think it would kelp alot of people out in the area. There pappens to subonone clinics all over the area, something around 90 or so subonone clinics alone and they seem to be about the money they can make . For us who are serious about treatment and not rich we have to drive somewhere in North Capolina and Risk our jobs and Not have enough sleep because a day has just 24 hours in it. A crosstreat center in the tri cities would out down on drug related crime and may just put droppers out of the need for days dealers at no need. I want to express a very strong need for a crossroads treatment denter. Thank you for your time.

J.R. JuliAN

Lowavia Eden

From:

Melanie Hill

Sent:

Tuesday, February 09, 2016 1:24 PM

To:

Lowavia Eden; Mark Farber; Jim Christoffersen; Mark Ausbrooks

Subject:

FW: Crossroads CON hearing, Feb 24

From: Lynne Barnett [mailto:lynnebarnett201@embargmail.com]

Sent: Thursday, December 31, 2015 4:54 PM

To: Melanie Hill

Subject: Crossroads CON hearing, Feb 24

Good afternoon. My name is Lynne Barnett. I live in Elizabethton, about 8 miles from Johnson City, Tennessee. I am writing today in SUPPORT of the certificate of need being requested by Crossroads for the proposed Methadone clinic in Johnson City. The hearing is scheduled for Feb 24.

My son had been battling addiction for almost 10 years and has had the most success with a Methadone program. For the first time in his adult life, he is working and taking care of his family. He is driving to Boone, North Carolina six days a week for his medication. I realize that many in the community do not support these clinics, but as the parent of an addict, I can tell you that Methadone has probably saved my son's life. I can also tell you that addiction is rampant in east Tennessee. I have been to several funerals in the last few years and am aware of many, many more in the area who are hopelessly addicted. I certainly believe the need is present for this clinic.

Please feel free to contact me if you have any questions. My phone number is 423-676-4010.

Thank you for your time.

Sent from my T-Mobile 4G LTE Device

through the pro-

Melanie M. Hill Tennessee Health Services And Development Agency 502 Deaderick Street, Andrew Jackson Bldg., 9th Floor Nashville, TN 37243

Ms. Hill:

It is my pleasure to write a letter in support of Crossroads Treatment Center's application for a Narcotic Treatment Program (NTP) in Johnson City, Tennessee.

As a former regulatory compliance officer for the State of Georgia's Department of Community Health, Healthcare Facility Regulations Division, I provided direct oversight over all Narcotic and Drug Abuse Treatment Programs throughout the State of Georgia. In efforts to ensure quality care of individuals and regulatory compliance, all NTPs in the United States are regulated by both Federal and State agencies. Each inspection is unannounced and consists of the review of all day to day operations, which included, but not limited to the facility's processes for client care, personnel records, facility plant, systems and outcomes. Lastly it's also an ongoing Federal and State requirement for all NTPs to maintain certifications of approval from Substance Abuse Mental Health Service Administration (SAMHSA), Drug Enforcement Administration (DEA), the State Pharmacy Board and a valid accreditation status from a recognized accrediting agency to provide care to individuals.

Since 2007, Crossroads Treatment Centers (CTC) strives to provide quality care to individuals affected by the increasing epidemic of Opioid abuse. CTC currently operates two (2) successful NTPs in the State of Georgia and has recently opened two additional facilities.

It has been my experience as a Regulatory Compliance Officer with 13 years of experience in the field of Substance Abuse, CTC operates its facilities with integrity, safe practices and within regulatory guidelines outlined by both Federal and State agencies. It's an ongoing effort for CTC to help individuals to break the devastating cycle of Opioid addiction, rebuild families and the neighboring communities. I am confident CTC will be a responsible provider and meet the required expectation of Johnson City to provide quality care to individuals.

If I can answer any questions for you, please call me on 678-681-4056.

Sincerely,

Madelynn Speach, CCS, CACII

12/15/15

Dear Ms. Hill and members of the HSDA,

I am writing today to express my support for the proposed outpatient medication-assisted opioid treatment program in Johnson City, Tennessee and Crossroads Treatment Centers' application for a Certificate of Need. There are currently no comprehensive opioid treatment programs in upper eastern Tennessee (the closest in-state OTP is more than 3 hours round trip from Johnson City in Knoxville), and that is unacceptable at a time we are facing an opioid addiction and overdose epidemic in this state, and especially in eastern Tennessee.

The science and evidence surrounding these treatments is solid, despite all the misinformation that still circulates. The CDC has called methadone treatment the "most effective treatment" for opioid addiction and the National Institutes of Health has said it is the "gold standard treatment," yet the folks of upper eastern Tennessee have no access to the most effective treatment currently available for the epidemic we are facing. I urge you to do what's right and approve Crossroads Treatment Centers' request for a certificate of need. Lives are at stake.

Thank you for your consideration.

Sincerely yours,

Meghan Tweedy

Meghan Tweedy 7507 Ohio Pl. LA MesA, CA. 91942

OTP SAVED MY LIFE! It should be available to All who need it!

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Lowavia Eden

From:

Melanie Hill

Sent:

Wednesday, January 27, 2016 4:44 PM

To:

Lowavia Eden; Mark Farber; Mark Ausbrooks; Jim Christoffersen

Subject:

FW: Crossroads

From: Nathan Meeves [mailto:nmeeves@gmail.com]

Sent: Tuesday, January 26, 2016 1:16 PM

To: Melanie Hill **Subject:** Crossroads

Ms. Hill,

I am writing a letter of support for Crossroads Treatment Centers' application for an addiction treatment center in Johnson City. I live in the Tri-Cities area and have been following this debate closely along with my wife, Amy Meeves, who also lends support to this cause.

This whole debate shows why Tennessee ranks worst in addiction to opiates. Addiction is the enemy. Not the addicts, and not Crossroads Treatment Centers. The consequences of this addiction problem cannot be overstated: crime, broken families, children in foster care, disease, the list goes on. Shaming addicts and companies trying to locate here will not help the problem – rather, it will become worse.

There was a time when the Tri-Cities area tried to outlaw prescribing buprenorphine, another drug for opioid addiction. People hysterically feared the community would be overrun by drug-crazed criminals. None of that has happened, despite the area now having one of the highest concentration of buprenorphine doctors.

But the most popular, longest-established, FDA-approved, expert-endorsed addiction treatment is not available in the area of the country that suffers the most from addiction. How much sense does that make? We cannot fuss over the issue of pills and drugs in our area and do nothing to solve the problem. We cannot be both part of the problem AND the solution. We MUST help our community, and this is one huge way to do that!

People in treatment are seeking to get better. It's no fun being in treatment: daily trips, required counseling, random drug testing and ... no more illegal drugs, never mind the pain and suffering of going through this. It's hard, and people need help doing it.

You should support Crossroads for having the courage to enter this hostile environment. They are trying to help a fragile group of people who are shamed into the shadows. Many addicts want help. Give this to them.

Sincerely,

Nathan Meeves



Johnson City Vet Center

Johnson City Vet Center #0701 2203 McKinley Road, Suite 254 Johnson City, TN 37604

March 25, 2015

To Whom It May Concern:

This letter confirms that The Vet Center works with Crossroads Treatment Center of Weaverville, NC to coordinate care of patients of Crossroads' patients, who are combat veterans that live in the Tri-Cities area.

We are the people in VA who welcome home war veterans with honor by providing quality readjustment counseling in a caring manner. Vet Centers understand and appreciate Veterans' war experiences while assisting them and their family members toward a successful post-war adjustment in or near their community.

We understand, and most of all, we care.

Crossroads Treatment Centers is one of the many organizations that we work with to provide excellent and coordinated mental health care to our combat veterans.

Please call me on (423) 928-8387 if you have any questions.

Sincerely,

Richard Shambaugh Team Leader

December 14, 2015

Sara Goldsby, MSW, MPH
South Carolina Department of Alcohol and Other Drug Abuse Services
P.O. Box 8268
Columbia, SC 29202
sgoldsby@daodas.sc.gov

Ms. Melanie M. Hill
Tennessee Health Services And Development Agency
502 Deaderick Street, Andrew Jackson Bldg., 9th Floor
Nashville, TN 37243
melanie.hill@tn.gov

Dear Ms. Hill,

As South Carolina policy makers have been working to prevent a worsening opioid abuse epidemic in the last two years, we are preparing to see our population obtaining fewer prescription opiates. For those in our state who have been reliant upon prescription opiates, we expect to witness higher heroin use as an alternate, but more hopefully, we hope to see an uptick in those seeking treatment for opioid use disorder. Accordingly, South Carolina has issued Certificates of Need for Narcotic Treatment Programs in 2015, including two Crossroads Treatment Centers.

South Carolina has been identifying higher opioid overdose deaths, and higher rates of Hepatitis C Virus related to young intravenous drug users. When our state agencies working on the issue look to national data and data from states in our region, we can easily recognize that we cannot address this issue in isolation. Government surveillance data and national reports suggest high opioid use disorder and related infectious disease rates are following a pattern through the Appalachian region.

Any effort our regional neighbors make to curb opioid use disorder and to make treatment available will assist our efforts, protect citizens, and potentially lower mortality. We support expansion and availability of opioid treatment programming in Johnson City, Tennessee as it is so close to areas in North Carolina with intense opioid issues, and only 100 miles away from the border of South Carolina.

If you have any questions or interest in talking more on this matter please do not hesitate to reach out to our agency. You may reach me at 803-896-8371.

Best regards,

Sara Goldsby

CC: Mr. Bob Toomey, Mr. Steven Kester

Begin forwarded message:

From: trainings < trainings@ncpc.org>

Date: November 10, 2015 at 9:57:57 AM ESTTo: "skester@crossroadstreatmentcenters.com"

<skester@crossroadstreatmentcenters.com>

<skester@crossroadstreatmentcenters.com>

Subject: RE: Addiction Treatment in Tennessee

Good Morning Steve,

It is wonderful that you are trying to open an addiction treatment center. This is something that many communities are in need of. I myself work part-time at a residential recovery center in Northern Virginia. Unfortunately, it is NCPCs policy that we do not give letters of support. I wish you the best of luck in this endeavor, it is a very noble cause.

Have a good day,

Simone Greene

Administrative Assistant National Crime Prevention Council 1201 Connecticut Avenue, NW, Suite 200 Washington, DC 20036-2636

Phone: 202-770-2061 Fax: 202-296-1356

Email: sgreene@ncpc.org Website: www.ncpc.org

Facebook | Twitter | YouTube

Stephanie & Brian Almeida 287 John Teague Road Franklin, NC 28734

Tennessee Health Services & Development Agency (HSDA) ATTN: Melanie M. Hill 502 Deaderick Street Andrew Jackson Bldg., 9th Floor Nashville, TN 37243

CN1511-648

Dear Ms. Hill and members of the HSDA,

I am writing today to express my support for the proposed outpatient medication-assisted opioid treatment program in Johnson City, Tennessee and Crossroads Treatment Centers' application for a Certificate of Need. There are currently no comprehensive opioid treatment programs in upper eastern Tennessee (the closest instate OTP is more than 3 hours round trip from Johnson City in Knoxville), and that is unacceptable at a time we are facing an opioid addiction and overdose epidemic in this state, and especially in eastern Tennessee.

The science and evidence surrounding these treatments is solid, despite all the misinformation that still circulates. The CDC has called methadone treatment the "most effective treatment" for opioid addiction and the National Institutes of Health has said it is the "gold standard treatment," yet the folks of upper eastern Tennessee have no access to the most effective treatment currently available for the epidemic we are facing. I urge you to do what's right and approve Crossroads Treatment Centers' request for a certificate of need. Lives are at stake.

Thank you for your consideration.

Stephanie + Brian alme. -

Stephanie & Brian Almeida

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Mary Mary Park Control

Tennessee Health Services and Development Agency ATTN: Melanie M. Hill 502 Deaderick St Andrew Jackson Bldg. 9th Floor Nashville TN 37243

To Whom It May Concern:

I write today in strong support for the Crossroads Treatment Centers' application for a Certificate of Need to operate an outpatient medication-assisted oploid treatment program in Johnson City, Tennessee.

I won't bore you with statistics here, or facts about this evidence-based treatment for opioid addiction. Instead, please allow me to share a snippet of my personal recovery story, made possible as a direct result of medication assisted treatment.

I took my first opiate at age 14 when I shared a bottle of Tussionex cough syrup with a group of friends. That event began a 40 year addiction to opioids, ultimately ending in a 10-year heroin addiction when my legal source of prescribed painkillers disappeared. I was sentenced to prison in 1996 for a drug crime, where I found better heroin on the inside than I ever found on the streets. I discharged from prison in 1997 and with my life in shambles, my family torn apart, I was simply waiting to die. I continued using heroin and other opioids until 2000, when I entered a medication assisted treatment program and began methadone maintenance.

During my time in the treatment program, I completed a Bachelor's and a Master's degree, began a career in behavioral health and delivered direct services directly back to my community of Nashville TN as I worked for Park Center and Operation Stand Down Tennessee. In 2009, my work on the streets of Nashville and my recovery from heroin addiction began attracting national attention. I was hired fulltime in 2009 by the Center for Social Innovation (http://centerasi.com/) and I began providing technical assistance and training to providers working with people with addiction histories, mental health challenges, trauma, homelessness, and criminal justice involvement.

In 2012, the Center for Social Innovation was awarded the BRSS TACS contract from SAMHSA and I was promoted to Deputy Project Director for the SAMHSA BRSS TACS (http://www.samhsa.gov/brss-tacs) contract. I have served in a leadership role on that contract for the past 4 years.

On February 13, 2014, I successfully completed a medically supervised detoxification from Methadone and left the Nashville MAT clinic.

On June 16, 2015, I married my partner of 16 years.

The summer of 2015 reunified me with two children I lost when I was sent to prison in the 90s. My youngest son has since moved in with us and is attending college in Nashville.

Today I serve as a Commissioner on the Nashville Metropolitan Homelessness Commission, am a member of the Executive Committee for the Commission, and serve as a member of the CABHI Grant (Bob Currie) statewide task force to end homelessness in Tennessee.

I also provide technical assistance and training nationally, and have recently completed an issue brief on the use of peer support in health homes.

None of my success would have been possible without a medication assisted treatment program. I stand as a testament that Recovery from opioids is possible, medication assisted treatment works, and ignoring the evidence that MAT is effective and valuable is costly to our communities, our families, and those suffering from the disease of opioid addiction.

I implore you, please approve Crossroads Treatment Centers' application for a Certificate of Need to operate an outpatient medication-assisted opioid treatment program in Johnson City, Tennessee.

You can read more about my story here:

http://www.facesandvoicesofrecovery.org/action/stories/steven-samra

and here: http://www.recoverymonth.gov/road-tu-recovery/ty-series/august-2015-webcast-preventing-homelessness

and here: http://homeless.samhsa.gov/resource/steven-samra-finding-his-voice-in-recovery-46433.aspx

and here: https://www.nhchc.org/wp-content/uploads/2013/11/healinghandsfall/2013.pdf

and here: http://us.thinkt3.com/blog/children-are-mirrors-viewpoints-from-a-parent-in-recovery

and here: http://invisiblepeople.tv/blog/2010/08/the-godfather-of-outreach-interview-with-steven-samra/

Thank you for your time and consideration of my request.

Sincerely,

Steven K. Samra 100 Jonquil Way Lebanon TN 37090

615.693.9302

ssamra@renter4si.com

Zachary C. Talbott 1510 Wales Avenue Maryville, TN 37804 (865) 964-5748 zacharytalbott@gmail.com

December 14, 2015

Tennessee Health Services and Development Agency (HSDA)
Attention: Melanie M. Hill
502 Deaderick Street
Andrew Jackson Building, 9th Floor
Nashville, TN 37243

CN1511-048

Dear Ms. Hill and Members of the TN HSDA,

I am writing today to express my *support* for the proposed outpatient medication-assisted opioid treatment program in Johnson City, Tennessee and Crossroads Treatment Centers' application for a Certificate of Need. There are currently no comprehensive opioid treatment programs (OTPs) in upper eastern Tennessee (the closest in-state OTP is more than 3 hours round trip from Johnson City in Knoxville), and that is unacceptable at a time we are facing an opioid addiction and overdose epidemic in this state, and especially in eastern Tennessee.

The science and evidence surrounding these treatments is solid, despite all the misinformation that still circulates. The CDC has called methadone treatment the "most effective treatment" for opioid addiction and the National Institutes of Health has said it is the "gold standard treatment," yet the folks of upper eastern Tennessee have no access to the most effective treatment currently available for the epidemic we are facing. I urge you to do what's right and approve Crossroads Treatment Centers' request for a certificate of need. Lives are at stake.

If the good folks who make up the TN HSDA have any questions or concerns about opioid maintenance treatment with methadone or buprenorphine (Suboxone/Subutex), please seek out *credible* sources such as the Substance Abuse & Mental Health Services Administration of the U.S. Department of Health and Human Services (www.samhsa.gov), the National Institutes of Health's National Institute on Drug Abuse (www.drugabuse.gov), the Institute of Medicine (http://iom.nationalacademies.org), the Centers for Disease Control & Prevention (www.cdc.gov), the World Health Organization (www.who.int), etc. There is a LOT of misinformation and myths out there about these treatments, but the science, research and facts are clear.

Thank you for your consideration.

Sincerely yours,

Zac Talbott 1510 Wales Ave.

Maryville, TN 37804

with the things of the second ray for a sign of the control of the Tennessee Health Services & Development Agency (HSDA)

ATTN: Melanie M. Hill 502 Deaderick Street Andrew Jackson Bldg., 9th Floor Nashville, TN 37243

To Whom It May Concern:

I strongly support the Crossroads Treatment Centers' application for a Certificate of Need to operate an outpatient medication-assisted opioid treatment program in Johnson City, Tennessee. Let me share some truths and I hope you read this letter carefully.

I recently married a man who entered the Methadone Maintenance Program in Nashville, TN 16 years ago after spending more than 15 years addicted to heroin. Methadone maintenance treatment gave him the time to stop chasing drugs, time to grow mentally, and time to focus on finishing a bachelor's degree at the age of 42! He then received a Master's degree in Public Administration. He worked himself out of poverty through education and into a position allows him to give back to the community that saved him in the first place. My husband is a Deputy Project Director on SAMHSA's BRSS-TACS, a Commissioner on Nashville's Homelessness Commission, and helps organizations around the country that are serving our homeless people, and PEERS in Recovery from Mental Health and Addiction backgrounds, and criminal justice backgrounds.

Simply put, without methadone - Steven would be dead.

Here are some facts about MMT, and Methadone – please take a moment to actually read them.

- According to the American Society of Addiction Medicine (ASAM), the Nation's leading group of addiction clinicians and researchers:
- Methadone maintenance treatment (MMT) is effective and safe and is an integral part of addiction treatment
- Methadone treatment of addiction is a crucial resource to decrease the spread of HIV and Hepatitis B and C infection.
- Decisions about the appropriate type, modality and duration of treatment should remain the purview of the treatment provider and the patient, working in collaboration to achieve shared treatment goals.
- Arbitrary limitations on the duration of treatment, medication dosage or on levels of care, that are not supported by medical evidence, are not appropriate can be specifically detrimental to the wellbeing of the patient and his/her community. Thus, such arbitrary treatment limitations should not be imposed by law, regulation, or health insurance practices.
- Traveling hundreds of miles for treatment places significant hardships on patients and their families. Many patients trapped in addiction cannot or will not make the trip, resulting in devastating consequences for the addicts, their families, and their communities.
- -MMT is the most common treatment for opioid addiction chosen by patients and their doctors. Buprenorphine, in-patient treatment, and abstinence-based treatment all have their place in the treatment arsenal. However, researchers found that people who receive adequate amounts of methadone as part of their opioid addiction treatment successfully complete that treatment far

more often (74 percent of the time) than people who receive adequate amounts of buprenorphine/naloxone (46 percent of the time).

- Many Tennessee physicians support MMT but are concerned with the political ramifications of publically doing so.
- The Centers for Disease Control & Prevention (CDC) has declared Methadone Maintenance Treatment (MMT) is the "most effective treatment for opioid addiction."
- The National Institutes of Health (NIH), in their consensus panel statement titled Effective Medical Treatment of Opiate Addiction in 1997 deemed Methadone Maintenance Treatment (MMT) the timeless "gold standard treatment" for opiate addiction.
- Methadone Maintenance Treatment (MMT) is currently the accepted standard of care for Pregnant opioid addicted women. Pregnant Women in the Johnson City, TN area currently have to drive HOURS round trip, and often over dangerous mountain roads in early morning hours, to receive what is the recommended standard of care for their condition.

So now - let's make this happen in Johnson City! Please approve their application for a Certificate of Need.

Respectfully,

Dorothy Caruso

100 Jonquil Way

Lebanon, Tn 37090

615,693,9303

February 5, 2016

Tennessee Health Services & Development Agency (HSDA) 502 Deaderick Street Andrew Jackson Bldg., 9th Floor Nashville, TN 37243

ATTN: Melanie M. Hill,

This letter is in support of Crossroads Treatment Center. I strongly believe that this organization is a huge benefit to the community and given the opportunity can expand the services they provide to reach a greater demographic of individuals in need of Medication-Assisted Treatment.

A few facts to consider, according to the American Society of Addiction Medicine (ASAM), the Nation's leading group of addiction clinicians and researchers:

- Methadone maintenance treatment (MMT) is effective and safe and is an integral part of addiction treatment
- Methadone treatment of addiction is a crucial resource to decrease the spread of HIV and Hepatitis B and C infection.
- Decisions about the appropriate type, modality and duration of treatment should remain the purview of the treatment provider and the patient, working in collaboration to achieve shared treatment goals.
- Arbitrary limitations on the duration of treatment, medication dosage or on levels of care, that are not supported by medical evidence, are not appropriate can be specifically detrimental to the wellbeing of the patient and his/her community. Thus, such arbitrary treatment limitations should not be imposed by law, regulation, or health insurance practices.

It is my recommendation that Crossroads Treatment Center be granted a certificate of need in the state of Tennessee.

Sincerely,

Christina Juarez Program Director MedMark Treatment Center - Savannah



Johnson City Vet Center

Johnson City Vet Center #0701 2203 McKinley Road, Suite 254 Johnson City, TN 37604

March 25, 2015

To Whom It May Concerns

This letter confirms that The Vet Center works with Crossroads Treatment Center of Weaverville, NC to coordinate care of patients of Crossroads' patients; who are combat veterans that live in the Tri-Cities area.

We are the people in VA who welcome home war veterans with honor by providing quality readjustment counseling in a caring manner. Vet Centers understand and appreciate Veterans' war experiences while assisting them and their family members toward a successful post-war adjustment in or near their community.

We understand, and most of all, we care:

Crossroads Treatment Centers is one of the many organizations that we work with to provide excellent and coordinated mental health care to our combat veterans.

Please call me on (423) 928-8387 if you have any questions,

Sincerely,

Richard Shambaugh Team Leader

Begin forwarded message:

From: trainings < trainings@nepc.org>

Date: November 10, 2015 at 9:57:57 AM ESTTo: "skester@crossroadstreatmentcenters.com"

<skester@crossroadstreatmentcenters.com>

Subject: RE: Addiction Treatment in Tennessee

Good Morning Steve,

It is wonderful that you are trying to open an addiction treatment center. This is something that many communities are in need of. I myself work part-time at a residential recovery center in Northern Virginia. Unfortunately, it is NCPCs policy that we do not give letters of support. I wish you the best of luck in this endeavor, it is a very noble cause.

Have a good day,

Simone Greene
Administrative Assistant
National Crime Prevention Council
1201 Connecticut Avenue, NW, Suite 200
Washington, DC 20036-2636
Phone: 202-770-2061

Phone: 202-770-2061 Fax: 202-296-1356

Email: sgreene@nepc.org Website: www.ncpc.org

Facebook | Twitter | YouTube

OPPOSITION LETTER(S) CROSSROADS TREATMENT CENTERS

CN1511-048





In Princeton Commons • 508 Princeton Rd., Ste 305 • Johnson City, TN 37601 • Ph - 423.282.8958 • Web - Johnson CityOrthodontics.com

January 28, 2016

Melanie M. Hill,

Executive Director
Tennessee Health Services and Development Agency
502 Deaderick Street, Andrew Jackson Building, 9th Floor
Nashville, TN 37243
(615)741-2364

Re: Crossroads Treatment Center CN 1511-048

I write to express my concerns regarding the proposed Methadone Treatment Clinic on Princeton Road in Johnson City, Tennessee.

Conceptually, I am surprised that this very dated treatment modality, dating back to the 1960's is still being promoted in today's medical community. As you likely know, adequately controlling all the problematic variables with this particular approach to addiction in this challenging patient population requires unflagging scrutiny. The community is in no way opposed to more up to date treatment methodologies, properly supervised, in a more controlled hospital setting. Wellmont Health System and Mountain States Health Alliance are prepared and willing to take on this challenging patient population in a far more controlled and effective setting. Mountain States is pledging 430 million dollars over 10 years for addiction recovery services.

Setting aside for the moment that Methadone Exchange Treatment is not standard of care; if it were done in a community environment such as Princeton Road, one would demand it be administered by a business entity with an unblemished reputation of consistent, on going supervision. Crossroads Inc. sadly does not fit that description. This company's New Haven Connecticut Substance Abuse Treatment Center in 2014 and 2015 received so many violations, it was forced to hire a temporary manager to over see its operations. The center was fined and placed on 2 years of probation for multiple violations of state regulations. Between 2011-2014 Crossroads Weaverville N.C. Clinic was cited for multiple infractions including "failure to protect patients from harm, abuse,

neglect, or exploitation." Statement of Deficiencies for Crossroads Greensboro N.C. Clinic, dated July 2013, discovered the facility participated in an intentional cover-up of four patient deaths that happened on Crossroads' watch.

Crossroads, appearing not to learn from its past mistakes, stated its only physician at the proposed Johnson City Clinic will be present at the site a total of four hours a week. One might ask, who will cover the methadone related emergencies that will obviously occur in the vast majority of hours not supervised by the attending physician? Also, who will emergency physicians consult with during these occurrences to coordinate effective emergency intervention? Most importantly, how long will patients be monitored after methadone dosage before being allowed to leave the clinic and drive home? Locating such a clinic across the street from a daycare facility or near businesses, private homes, apartments, doctors and dentists' offices seems highly inappropriate. The effects of methadone treatment on patients immediate driving ability post dosage is well known: depressed reflexes, diminished visual acuity, and altered sensory perception. Even under the best supervision imagined, (which is certainly not the track record of Crossroad Inc), releasing patients from a methadone treatment clinic in a mixed use, densely packed neighborhood to drive home impaired to some varying degree is highly unacceptable to the surrounding neighborhood. In Germany the Federal Ministry for Health stipulates "Heroin addicts treated with methadone are generally not fit to drive".

In summation, substance abuse treatment should be allocated to a well managed, coordinated hospital setting for the sake of patients and the community as a whole. We the Medical/Business professionals and residents of this area hope The Health Services and Development Agency will not issue a certificate of need to the Crossroads Treatment Center, to be located on Princeton Road, Johnson City, Tennessee.

Respectfully,

Dr. Daniel M. Auter D.M.D. 508 Princeton Road Suite 305

Canil ma Chita ono

Johnson City, Tennessee 37601

Aleene Jones 2221 Lakeland Drive Johnson City, TN 37601

February 3, 2016

Melanie Hill Executive Director Tennessee Health Services and Developmental Agency 502 Deaderick Street, Andrew Jackson Building, 9th Floor Nashville, TN 37243

Dear Ms. Hill:

I am enclosing a copy of a letter by Dr. Larry Denny, DMD, which fully explains my own reasons for objecting to the placement of Crossroads Treatment Center in my community.

Dr. Denny has researched and documented the history of violations and deficiencies of this particular company, and they are of serious nature.

As Dr. Denny states on behalf of the medical, dental, and commercial community, I, as a residential community member, do not object to a comprehensive addiction treatment program, but I would hope that it would be directed and staffed by reputable and licensed medical professionals, and not by a corporation with such a history of violations.

I respectfully request that the Tennessee Health Services and Developmental Agency not issue a Certificate of Need to Crossroads Treatment Center to be located on Princeton Road in Johnson City, Tennessee.

Sincerely,

Aleene Jones

To: Melanie M. Hill
Executive Director
Tennessee Health Services and Development Agency
502 Deaderick Street, Andrew Jackson Bldg., 9th Floor
Nashville, TN 37243

Dear Miss Hill:

I strongly oppose the building of the Addiction Treatment Center -- Crossroads Treatment Center -- that is to be built at 413 Princeton Road (corner of Princeton Road and Wesley Street) in Johnson City this spring.

An Addiction Center should be built in the medical community, **NOT** in a residential area - especially with a child day-care center across the street. Having a Methadone Clinic across from our neighborhood will cause crime will go up, especially theft. Our home values will decrease. A red light is in the process of being installed at Roadrunner Market, at the corner of Princeton and Oakland; as traffic on Princeton Road and Oakland Avenue will be heavy due to people coming to this addiction center from various cities and states.

I personally know a few people that have struggled with drug addiction. These people were good, decent, people; prior to becoming drug addicts. But when a person becomes addicted to drugs, nothing else matters but getting their next fix. In the past, the ones I know, used to drive to the clinic in Ashville a couple times a week to get their fix, and then would rob their friends/family/neighbors blind to buy even more drugs. This went on for years. One of them ended up being arrested, served time, and is now released. Another one is still in prison. Two more have in and out of prison repeatedly, for theft due to drug addiction.

The success rate of these centers is very low. As a result, drug addicts will be coming to our area in multitudes to get their "fix" a couple of times each week. I consider this to be a threat to my family and myself. As a result, I am going to take a "Conceal and Carry" Class, and buy a pistol - something I thought I'd never do. I do not want to live in fear, which is exactly what will happen if the center is built across the street from our neighborhood.

A TREATMENT CENTER SUCH AS THIS SHOULD NOT BE ALLOWED IN A RESIDENTIAL AREA. It bothers me greatly, that residents were not notified that this was in the works. I feel each home in the neighborhood should have been sent a letter, informing us as to what was taking place.

Thank you,

Linda Jordan 2306 Nave Drive

Johnson City, TN 37601

(423) 202-3373

Larry E. Denny, D.M.D.

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

In conclusion, it is clear our total opposition to the particular location and certification of the Crossroads Treatment Center in our medical community, due to not only the violations previously not remedied, but the deficiencies in the treatment program as displayed in previous facilities in our surrounding areas lead under the same false pretenses as the proposed Crossroads Treatment Center. We the medical and business society of this area hope the Health Services Developmental Agency will not issue a certificate of need to Crossroads Treatment Center, to be located on Princeton Rd., Johnson City, Tn.

Respectfully,

Dr. Larry E. Denny, DMD

, Elizabeth Padu hope a Certificate of Need will <u>NOT</u> be issued by Signed Name

the Tennessee Health Services and Development Agency, to Crossroads Treatment Center that is to be located on Princeton Road in Johnson City, Tennessee.

Elizabeth RAdER

Printed Name

423-282-8177

Telephone Number

213 BROWN AUE.

Address

Johnson City, TN 37601

Lowavia Eden

From: Melanie Hill

Sent: Thursday, February 04, 2016 1:11 PM

To: 'Dale Miller'

Cc: Jim Christoffersen; Mark Farber; Mark Ausbrooks; Lowavia Eden

Subject: RE

Thank you for your letter. I will share it with Agency members prior to the February 24 Agency meeting.

----Original Message-----

From: Dale Miller [mailto:pilotdale1947@yahoo.com]

Sent: Thursday, February 04, 2016 12:01 PM

To: Melanie Hill

Subject:

Ms Hill I ask you to consider, the importance of approval, of Crossroads Treatment Center.

I know several former addicts that are now functional, employed people that are having to drive many miles to receive treatment. We need a clinic here in JOHNSON CITY to treat these and many others. The Princeton Road site is an ideal location. Thanks

Sent from my iPhone

From:

Melanie Hill

Sent:

Thursday, February 04, 2016 5:09 PM

To:

'Amy Hopson'

Cc:

Jim Christoffersen; Mark Farber; Mark Ausbrooks; Lowavia Eden

Subject:

RE: Proposed location for Johnson City Methadone Clinic

Thank you for your letter. I will share it with Agency members prior to the February 24 Agency meeting in which the matter will be heard.

Melanie

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

www.tn.gov/hsda

Phone: 615-741-2364 Fax: 615-741-9884

From: Amy Hopson [mailto:hpsnmom@gmail.com]

Sent: Thursday, February 04, 2016 1:29 PM

To: Melanie Hill

Subject: Proposed location for Johnson City Methadone Clinic

*** This is an EXTERNAL email. Please exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email - STS-Security. ***

February 3, 2016

Melanie M. Hill

Executive Director

Tennessee Health Services and Development Agency

502 Deaderick Street, Andrew Jackson Building, 9th Floor

Nashville, TN 37234

are forced to lock their doors in protection of their employees as people congregate outside their doors, not only blocking and deterring customers, but creating an unsafe atmosphere.

Drug addiction is a disease, caused by the choice to participate in such behavior, NOT a disability as this company would like for us to believe. Veterans with lost limbs, the hearing and visually impaired, and those wheelchair bound, for example, have a disability. Their conditions are not a choice. Therefore I disagree with the argument that we are not supportive of those with disabilities.

I believe wholeheartedly that we have just as many rights to protect our neighborhoods as an out-of-state company who has misrepresented themselves has to operate. Why are we being overlooked? It may seem as though we have not been vocal enough — but in truth, we were unaware about the intentions and have been very involved after information trickled out. It was unethical for this type of company to try to deceive the neighborhood and seek approval without due diligence in notifying those in the area.

Please consider the consequences of having this clinic so close to a residential, small business and preschool area. Our children, our homes, our safety are in jeopardy with the building of this clinic. Please hear our concerns and give them validity.

With deepest concern,

Amy Hopson,

Mother of 2, Preschool PTA mom, Employee at a Princeton Rd Business, long time active member of the Johnson City Community

800 Lincoln Ave

Johnson City, TN 37604

423.502.0207

<u>Name</u>	Address	Telephone
Colker Bowman	20139falmword Dr Abrigdor	2766760482
2. Thelley mobile	ler 301 Hamilton Pl. Kin	9580ATN 37663 943-6717
3.	518 M. Monne De / Esur	423-737-7596
4. July Whiter 27	763 Avandale Dr Johnson City	423 9670011
5. LOGAN BLALLWELL 340	Lateridge St. Kingsport, TN	423-301-8431
6. Cole Buttop 502	8 Jays cove Kingsport TN	423-245-8923
7. Sabura Brothera	115 Hermitag Bush P. TU	4/3484-3070
8. Cindy Graham	635 Big HollowRd. Bloundvill	le 423-323-1284
9. fachel Ottell	2631 Hwyllw#21 Bristols	TN 276.378.4988
10. Jori Grundlof	515 Gene Dr. Buttles, TV	37640 423-768-2771
11. Susa Resoler	323 CAN Dr Blomtille	W37617 4L3-3L3-97-1
12. Tiban Sub	103 Cripple Creek watching	
13. Adaya Kalyhah	2168 Benny Street, KinsbPort T	N 37664 427, 262-7916
14 Kenis Collin 34	10 pine treclane Apt 1 Er	win, Tw 37650 -423-440-
15. Sedric Edwardsun	1504 E. Waturga Ave 7	Johnson lites, IN

Name		Address	Beut In	<u>Telephone</u>
1. Kehlin T	Chitaku	3(10	Blut In Island Ra	323-1994
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3.	Res	× 210	etloon II	2264948881
4. Junior Cop	504	6445	Bristol In	
5. Deblie Bish	hop 330	Hodsey	Rd apt 90 Br	istof In. 423-218-5364
6. poblice brass	u 821 Wil	Ciano.	St. Bristal:	he- +23-968-47059
7. Mark Col	2 355 HEG	hlgad m	EADOWS DZ. BL	DYNTUTIE, TN 423 87-8577
8. Inna he st	er 32 W	stlaun	Sto Bre Va 3	76-494-0391
9. Maley &	Lowers	249 Fo	unidge Rd 3	1604-926-5899
10. Ashley Bab	5 7295	by Wa	mo ha Ble	SF City TN 647-0016
11 Julie Blan	1 1200 Kor	narock	Ed Kingsport	- 78z-9106
12. Ara Tel	less 18	11 W.Z,	Here Dis	c. 423-398-8136
				423-612-5524
				01 423:383:2398
15. Shara Wy	Kerk 901	EChelh	ow-ee ave oc	423-433-8129

Name	Address	Telephone
1. Halee Miller	2018 circle court	423-737-7325
2. april Meho	2000 westered	423-765-8693
3. Kathy L. Green	A 400 . 1 / 1 0 V O A	681-205-1119
1	151 Woodlen Dr. JC	423 731 9280
5. Branen Types	151 woradline BISC	423 731 9280
The same of the sa	118Belmeade Circle JC	(423)9434961
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10. Avery Blair	586 Jackson 5+	
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	1616 Kales Dract Ja	
	1 1225 Snowden Terrai	
14. Justi Londermes	2138 Conver Cruz Rd gC 376	_
V	1013+161120URDR. JC 3760	

We the undersigned are concerned clients, patrons, employees and residents of the Princeton Road area. We are in total opposition to the particular location and certification of the proposed Crossroads Treatment Center and are in agreement with the statements listed within this letter.

Name	Address	Telephone
1. KatriKinnely &	nistal	423-341-3038
	East palmast CA.	(473) 534-6178
3. Brends Willis 1	406 Skyline Dr. J.C	(423) 383 7510
Brandy Miller 800 Just	lley RS # 605 JC	423 431-9112
5. Evin Cincon 1704	Soward DR JC	423-426-6202
6. Sandra MB 2610	Plymouth Rd Jc.	4233283336
7. Shena Baster 1	444 E Lakeren B	473-631-2825
8. Julia Davenson	- 708 Amalas Br.	865-705-9441
		40 Janesborg 423-963-9037
	303 W. Chithowre Ave	11
april Moleab	208 Oak Ln	423676-5713
12, Janly 986 P:	chensbildge 20 4	23-647-1290
	Lakeview Lane Johnson City IA	
16	East 9th Are Johnson City, I	
15. Jisa Webb 3	299 Rockhold Rd	· 423-364-0810

<u>Name</u>	Address	<u>Telephone</u>
1.		LITE, TN 283-997+
2. Jenas		n St Johnson City TW BHO
4. Logar	A Scott 418 Cash Hollow	Rd JC 37601 423-741-6529
5. Sha	0-/ 1	etJCTN376043741-7221
6 My		ne JUN 376/8
M		Rd. Apt. 903 Johnson City, TN 37601
	ie Seward 1319 Bell Ridge t	ed. Apt. 902 Johnson City, TN 37601
1)		2d Apt. 203 Johnson City, TN 37601
	et Williams was a Control	Dr JCTN37604 5246
13. Clau	les Henson 311 Centennial DA.	8t. Kingsport Tn 37601 Elig. TN 37643 543-1286
14 100	than Motor 102 utni	-101100 Ct Apt 07 Elizta
15. Am	ber Blowers 159 Keise	and Road Bluff, 37659
HOII	Y WEDD SAMS FORM	TN
		37418

Name	Address	Telephone	
	227 Hillside Put Dr.		2-6112
2. Ben Johnson 2.	25 Wryest. 37662	(423) 288	2-5257
3. fry Dewlesse 2	59 Hales Rd 37659	423-788-3	3937
4. Brad Dewere 2	59 Hales Rd 37659	423-788-39	37
5. Jamie Pice 10	XX Arbor Hills Dr. 3	1686 423-202-	8767
6. Gina Jon	232 Spice Hollow Rd	37604 423-	773-6le16
	28 South Broadway		
	44 Maden In. Jonata	to the same of the	
9. Jerry M. Berden	((/ (7	182-8998
10. Fredlie L. Who	day 15te 3 Bona Crook	Pd SbroTN37659 4	123-7910dele
11. Glanda & Whale	my "	11 423-7	53-2683
12. Hatrice	Vilson Hy	7pt#4 423 20 29 1 J. City	TW TW
13 Emily Skinner	1741 SKyline Dr.		
14. Teresa Zsaac	340 South Oust	n. Spring 37601 42	3-773-6843
15. army Honeyett	P.O.BoxSS33 JLT	n. 423-773	3-0011

Name	Address	Telephone
1. Clingabeth Yhon	eyertt 199 Belly	Riche Rd. Je 423-833-1600
^		X. UC, TN 37401 423-557-6083
3 Haus Wolf	108 persimnon Ln, J	onesborough, TN 37659 423-946-2692
4.	103 Hillvise Rd.	Gray TN 37615 423-426-1282
5. Kachel Kowaleski	2209 Lakeland De	- Johnson City, TN 37401
6. Elizabet M. Whitaker	309 Blue Brunet	Br. Bristol, Try 37620 423-967-3515
7. Brak Mede	60 Crystal Sp	enzy C Gray, TN32615
8. Daniel Pallity	309 Blue Bonnet	Dr Bristal, TN 37620 423-967-8500
9. Amba Stringer	1219 Meadowview A	ive Johnson City, TN 37401
10. Tenn Bouen 1		Hampton, TH 707-9500
11. King Laws	02 2914 Watar	19 Rd JCTN 4293103
		99 Rd JC TW 588-8800
13. Cara Leelhir	Het 1011 Grace,	
14. Dong Ledbyttel	1101 Grace	Dr. J. TN 943-2420
15. Judy Sie	der Too He	lyhill To TN 943-6758
	'/	<i>T</i>

Address **Telephone Name** Rangewood Rd 285 Rangewood Rd TUNIPER TUNIPER RD Franklin erena Skinner 742 Pantera Dr ebbie Odom 302 Creek Bank Richard 1406 Skylin Dr. JC 15. Malila Williams 2008 Millennium Place Apt 310 JC, TN 37604

<u>Name</u>	Address	Telephone 37643
1. Oudry Ba	id 199 DAVIS 1-	tollow Eliz Tury 327
2 Kenneth Wair	not 419 ELHO	Que Wataya 37694 100-2016 100-2016
3 Malista Wais	10 Mt 3 P14 Hoor	reparante 3116
4. Donna Vaugli	w 462 muddy Branch	Rd Elizabethron TN37643
5. Kechaid Vaugl	m462 Muddy Brar	ich Pd Elizabethto ND 37643
6. Laver Logers	1009 distant Red 37Kot	7 (423) 863 6225
7. Brick Johnson	225 wolf 5+	(423) 817 8483
8. Abbye Black 34	4 Ellis Come 37045	956-6897
	1. Dog Louise J. C.	
10. Tennifes Macga	ulis 545 shouls Re	1 37617 737-5247
11. Katelyn Johnson	225 Wolf St.	423-817-8400
12. Marcia Peaum	4 restoncart 376	01 423-571-5905
13. Tery Penns	4 restouent 3760,	1 791-37/3
		7601 423/943/0488
15. Sherry Arnett 2	202 Marion Branch	Rd. 423.483.3905 423.737-8702 433-817-3167
16. Mark Arnett 2	202 Marson Branch Rd.	423 737 - 870 Z
17. Gudy Johnson 2	25 welf . 1	433-817-3167
18. Denbre Talbert 3	04 David Circle 37604	
19, Stacey Bouton	1491 Hugting Hill Rd POBAX 193	TN 423-963-7629
20, I day Delood	00 Bax 193	423-277 7058
I. Stephanie Taylor	1491 Hunisnatilled	1 Bluff (423-963-2159

Name	Address	<u>Telephone</u>
1. Yancy Radford	3293 Rockhold Rd.	423.741.3123
2. Mir the Estrad	9 302 Catawlog	423-948-8968
3. Misty Edwar	ds aley North rd	423-895-5216
4. Michael Frazie	508 Ridgeview Car	423-575-1553
5, Deanamiller	3706 Timberlak Rd	423-350-1510
6. Jada Nave	116 Gilliam Lane	4239438534
7. Toen Wohlford	138-0'AK 6100 K	930 66 59
8. Jennefer Auches	- 244 Free Hill Rd	423 483 4894
9. Ashley Vance	314 Suncise Dr.	
10. tores. To	word 1034 Eagl	ect 423-773-8053
11. Angela Lilley	100 11 Cherokee St	423 - 943 - 3956
12. Courtney Clean	102 meadow lew Fore	Jancbargh 423-948-1972
13		
14		
15		 :

Name	Address	Telephone
1. Christina Hensley	132 Shannon View Rol	(301) 704-3001
2. Tim Dalpiaz	2289 Crescent Lake Place	423 677 1434
3. Mushy Juaham	500 Crawford Hollow Rd	423-963-2814
4. Maria Kosh	348 withshire or.	<u>423-483-5805</u>
	1406 SKylige Orive	951-644-4243
6. Fickie Deyten	234 W. Brayles	423-943-9731
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Name	Address	Telephone
funt O. al	- 310 Alber Drive	791-3066
2. Dr. Lynne Philli	Ups 310 Anevar On Johns	201-4530
3. Jame Fitza	125 ABERG 133 Ed GAGE	INNE 335-7603
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15.		

OPPOSITION LETTER(S)

Crossroads Treatment Center

CN1511-048

From:

Melanie Hill

Sent:

Friday, January 29, 2016 12:07 PM

To:

Mark Farber; Jim Christoffersen; Lowavia Eden; Mark Ausbrooks

Subject:

FW: Opposition

From: donnafreeman3001 [mailto:donnafreeman3001@comcast.net]

Sent: Friday, January 29, 2016 11:48 AM

To: Melanie Hill Subject: Opposition

This memo is written to inform you of my opposition to building the Addiction Treatment Center at 413 Princeton Road in Johnson City, Tennessee this Spring. While I feel there is certainly a need for medical facilities for this purpose, I do not feel they should be built across the road from child care facilities, residential areas and even close to an elementary school. I feel the location of this facility would impose a threat to citizens in the area and would even decrease the value of their property. The presence of this facility would also bring in several visitors from out of town/state.

I respectfully beg that you reconsider your decision to locate this facility on Princeton Road so that we may continue to feel safe in our homes and enjoy our little community.

Sent from my Verizon Wireless 4G LTE smartphone

From: Melanie Hill

Sent: Friday, January 29, 2016 12:26 PM

To: 'Alice M heffon'

Cc: Jim Christoffersen; Lowavia Eden; Mark Farber; Mark Ausbrooks

Subject: RE: Crossroads Treatment Center/Princeton Rd./Johnson City, TN

Thank you for your letter. I will share it with members of the Health Services and Development Agency who will consider the application on February 24, 2016.

Melanie

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

www.tn.gov/hsda Phone: 615-741-2364 Fax: 615-741-9884

From: Alice M heffon [mailto:aheffron@centurylink.net]

Sent: Friday, January 29, 2016 12:11 PM

To: Melanie Hill

Subject: Crossroads Treatment Center/Princeton Rd./Johnson City, TN

Good afternoon Ms Hill. I am writing this day on behalf of family I have that live on Princeton Road in Johnson City as well as the other families in the residential neighborhood of Princeton Road. While I realize there is absolutely a necessity and need for treatment centers to aid in the process of personal recovery, I beg of you to find a better location for this most important cause. Statistically speaking, since you're looking to open this facility in a residential neighborhood, across the street from a "day care center", the crime rate as it pertains to thefts and break ins, robberies, muggings and assaults will ultimately increase as a result. It's a proven fact across the U.S.. I personally am a grateful recovering addict myself and currently have 10 years, 11 months and 3 days clean and sober. I would not be where I am today had it not been for a drug rehab center, NA Meetings, outpatient Drug counseling services, prayers from many, church and my Lord and Savior Jesus Christ. However, none of the above mentioned locations were in a family area with the exception of the NA Meetings which were held in a local church, which is the norm.

I'm asking that you reconsider the location for Crossroads and take ALL things and people into consideration. Surely there is another location in a Medical Park, near a hospital, jail, police station, business park...somewhere where there won't be families with children or elderly at risk.

From: Melanie Hill

Sent: Friday, January 29, 2016 12:33 PM

To: Mark Farber; Jim Christoffersen; Lowavia Eden; Mark Ausbrooks

Subject: FW: Methadone clinic in Johnson City

Thank you for your letter. I will share it with Agency members prior to the February 24 meeting in which the application will be heard.

Melanie

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

www.tn.gov/hsda

Phone: 615-741-2364 Fax: 615-741-9884

From: nell f [mailto:nafbr123@gmail.com] Sent: Friday, January 29, 2016 10:26 AM

To: Melanie Hill

Subject: Methodone clinic in Johnson City

I very much oppose a Methodone Clinic in my neighborhood at 413 Princeton Road. Help us to stop it. Less then 1/2 mile is coalition for Kids, a church and heavy residential area and my HOME. Thank you Nell Fox, 202 Brown Avenue. Johnson City, Tn. 37601

From: Melanie Hill

Sent: Thursday, January 28, 2016 11:18 PM

To: Julie Bicknell

Cc:Mark Ausbrooks; Mark Farber; Jim Christoffersen; Lowavia EdenSubject:Re: We OPPOSE the meth addiction clinic at 413 Princeton Road, JC

Thank you for your letter. I will share it with Agency members.

Sent from my iPad

On Jan 28, 2016, at 10:56 PM, Julie Bicknell < ibickne@yahoo.com > wrote:

*** This is an EXTERNAL email. Please exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email - STS-Security. ***

The attached letter says it all very clearly, and we agree with each point. It does NOT make sense to build an addiction center so close to a child day care center. We also agree this will draw an undesirable element to our city and this beautiful residential area, which until now has been mostly peaceful and quiet. We also do not support this type of treatment when it has not been proven to be effective. We do not believe in enabling users to continue enjoying their addiction at taxpayer expense.

When this decision was announced in the Johnson City Press the point was made that no one was at the meeting to oppose it as before. I would submit that no one KNEW this was on the agenda or there certainly would have been opposition. We had no idea this was in the works again until it was a "done deal".

We strongly protest this decision, and would like to recommend that those who have the power to open this type of facility in a residential area should consider opening this in their own neighborhoods instead. I guarantee those involved in this process do not reside anywhere near this address on Princeton Road.

If there is anyone else we should contact regarding this matter please let us know.

Robert and Julie Bicknell Johnson City, TN 37601

On Thursday, January 28, 2016 11:46 PM, Julie Bicknell < ibickne@yahoo.com > wrote:

From: Melanie Hill

Sent: Thursday, January 28, 2016 11:13 PM

To: Linda Jordan

Cc: Jim Christoffersen; Lowavia Eden; Mark Farber; Mark Ausbrooks

Subject: Re: Crossroads Treatment Center being built in Johnson City, TN

Thank you for your letter. I will share your concerns with Agency members.

Sent from my iPad

On Jan 28, 2016, at 6:07 PM, Linda Jordan < linda r jordan@yahoo.com > wrote:

Hello Miss Hill.

My neighbor found out that an addiction center is in the works to be built on Princeton Road, in Johnson City, Tennessee. We had no idea this was happening! Letters should have been sent to everyone in the neighborhood advising us of this. PLEASE do not allow this to happen.

This type of clinic should be built in a medical area....NOT a residential area. Theft will go through the roof, and I'm very concerned about safety for myself and my neighbors. And to beat it all, a DAY CARE is right across the street from where it's going to be built. The commissioners removed the distance requirements, and they also struck down the 7 a.m. to 8 p.m. limits of operation! I bet if it was being built in their neighborhoods, none of this would be happening.

I talked to a few neighbors today, and the ones with young children are REALLY scared and upset. And a couple of elderly folks were near tears when they heard the news. This is devastating news to all of us!

These clinics have a very small success rate....it's mainly for drug addicts to get their "fix" every few days. People in this neighborhood have worked HARD for what we've got, and theft and crime will sky-rocket. My neighbor studied up on a treatment center built in another city, and their home values plummeted. Most residents had to sell their homes at a loss, and now it's a drug-infested neighborhood. We are just sick about this. We are not opposed to a clinic in our med-tech parkway, as there are no neighborhoods in that area. But we feel our neighborhood will be unsafe.

Please help us. Linda Jordan 2306 Nave Drive Johnson City, TN 37601 (423) 202-3373

From: Melanie Hill

Sent: Thursday, January 28, 2016 11:11 PM

To: Sonja Hurd

Cc: Jim Christoffersen; Mark Farber; Mark Ausbrooks; Lowavia Eden

Subject: Re: Crossroads Treatment Center

Thank you for your letter. I will share your concerns with Agency members but please note the Health Services and Development Agency has no authority over Johnson City commissioners. This agency's authority is whether to grant or deny a certificate of need.

Sincerely,

Melanie Hill, Executive Director Health Services and Development Agency

Sent from my iPad

- > On Jan 28, 2016, at 6:29 PM, Sonja Hurd < smahalahurd@gmail.com > wrote:
- > > Ms. Hill,

>

>

- > IVIS. HIII,
- > I'm writing today to express my opposition to Crossroads Treatment Center being built on Princeton Road in Johnson City, TN. It's my understanding the commissioners have removed the distance requirements as well as the limitation on the hours of operation.
- > The area the facility it to be located is residential and has a daycare center across the street from the proposed location. I personally feel residential areas are no place for a methadone clinic, especially in close proximity to daycare centers or schools. If this facility is approved and moves forward, the property owners will surely see a rise in thefts and a decrease in their property values. Worse yet, the children in the daycare center are going to be exposed to the seedy side of drug addiction. This facility would be better suited to be located near other medical facilities.
- > I ask you to please force the Johnson City commissioners to reinstate the distance requirements and hours of operation limits.
- > Respectfully,
- > Sonja Hurd

From:

Melanie Hill

Sent:

Thursday, January 28, 2016 10:48 PM

To:

Mark Ausbrooks; Lowavia Eden; Jim Christoffersen; Mark Farber

Subject:

Fwd: Crossroads treatment center

Sent from my iPad

Begin forwarded message:

From: Dusty Barnett < dbarnett2368@gmail.com >

Date: January 28, 2016 at 7:26:35 PM CST

To: <melanie.hill@TN.GOV>

Subject: Crossroads treatment center

My name is Dusty Barnett and I'm emailing in opposing the building of a methadone clinic near residential or daycare areas. All your asking for is more problems for people in this area. This being a medical service why can't it be put in a medical area like medtech parkway around one of the hospitals? We don't want it by our homes.

Thank you for your attention to this matter. Dusty Barnett

Circe Medical Services LLC 411 Princeton Road, Suite 101 Johnson City, Tennessee 37601 Phone 423-282-1171

January 27, 2016

Melanie M. Hill, Executive Director
Tennessee Health Services and Development Agency 502 Deaderick Street, Andrew Jackson Bldg., 9th Floor Nashville, TN 37243 (615)741-2364

Re: Crossroads Treatment Center CNJ SJ 1-048

As a practicing physician who specializes in pain management and is certified to provide services to addicted individuals, I wish to voice my opposition to the planned Crossroads Methadone Treatment Center to be located on Princeton Road in Johnson City.

The exploding public health crisis of drug addiction Eastern Tennessee is well known. Although there are multiple causes for this crisis, all can agree that appropriate, ethical and effective treatment for these patients is necessary.

However, the planned Crossroads Treatment Center is not an appropriate option for this treatment. The major reasons for this determination are

- Obtaining sale of the property through subterfuge is unethical (see attachment A)
- There are many incidents of unsafe and questionable medical and administrative management documented (see attachment B)
- Locating the planned treatment center adjacent to a practicing pain management clinic places undue stress on both my pain management patients and the drug treatment patients because of the potential diversion such proximity produces
- The risk of impaired driving by patients who immediately prior to driving receive a dose of methadone is documented. While working in West Virginia, my nurse, Christine Erwin died when her car was hit by such an impaired driver. In the current case, a church-run day care center is across the street from the proposed location

Marc Valley, MD
Circe Medical Services LLC
411 Princeton Road, Suite 101
Johnson City, Tennessee 37601
Phone 423-282-1171

I am not opposed to the idea of a methadone treatment center in Johnson City. Although there are Buprenorphine treatment centers located in the area, there is a need for the next level of care provided by such a methadone clinic. However, I feel that the proximity to children at risk from potentially impaired drivers, the risk of diversion between methadone patients and pain patients, and the poor medical care and administrative oversight provided by the management of Crossroads Treatment Centers in other locations makes this current plan unacceptably risky for the Johnson City public.

I look forward to addressing the Board at your convenience.

Sincerely,

Marc A. Valley, MPH, MSSM, CPE

Board Certified in Anesthesiology

Board Certified in Pain Management by the American Board of Anesthesiology

Certified by DEA to provider addiction related treatment

Medical Director, CIRCE Medical Services, Johnson City

Associate Medical Director, EviCore Health Care

Circe Medical Services LLC 411 Princeton Road, Suite 101 Johnson City, Tennessee 37601 Phone 423-282-1171

ATTACHMENT A:

The proposed Princeton Road location. The planned location will use a common parking lot with currently the currently Quillen Rehabilitation Hospital, Mountain States Medical Office Building as well as Dr. Larry Denny's dental practice and CIRCE Medical Services clinic. The volume of patients seeking care at the proposed methadone clinic will adversely affect the parking of patients from other practices. In addition, the corporation known as Crossroads Treatment Center had to use deceptive and false statements in order to purchase the land on Princeton Rd., as referenced in the WJHL News Report, by Nate Morabito, January 4, 2016, "Our real estate representative negotiated in good faith with Calhoun Real Estate, L.L.C. for the sale of the property to Calhoun," the statement said. "Calhoun led our representative to believe that Calhoun intended to place a medical clinic there. At no time was it represented to Mountain States that Calhoun intended to place. or cause to be placed, a methadone addiction treatment facility on the property. Had Mountain States known of Calhoun's intention to facilitate the placement of a methadone addiction treatment facility on the property, Mountain States would have never entered into an agreement with Calhoun for the property. Calhoun has not yet consummated its purchase of the property. "

Circe Medical Services LLC 411 Princeton Road, Suite 101 Johnson City, Tennessee 37601 Phone 423-282-6613

ATTACHMENT B:

Examples of poor management by Crossroads Treatment Centers in other areas are exemplified by:

North Carolina Department of Health and Human Services, copies of 2011 - 2014 deficiency reports for Crossroads' Weaverville, Asheville, and Greensboro clinics. - Among the hundreds of pages, penalties for "failure to protect patients from harm, abuse, neglect, or exploitation", failure to ensure state and national criminal record checks for employees within. Five days of hire, inadequate training, dosing errors, and failure to ensure client program compliance.

Crossroads Treatment Center of Northwest Georgia. The report. dated November 2012, reveals 12 of I 4 appointed substance abuse counselors were not certified or trained to provide addiction-counseling services. A state interview with the clinical director, documented in the same report, revealed, "! was not aware that you need certification in the state of Georgia. I thought a high school diploma was adequate. We hire our counselors and employ them as in training."

Statement of Deficiencies for Crossroads' Greensboro clinic, dated July 2013, discovered the facility. Failed to implement its discharge policy. The detailed report reveals this was much more than an oversight. Rather, an intentional cover-up of four patient-deaths that happened on Crossroads' watch.

Text messages from May 2013 between a counselor and associate program direct01; transcribed in the state report, reveal the counselor was concerned because: "knew [the PD (program director) was lying to us (about not having to report deaths], which he was...if he had done what he was legally obligated to do, this wouldn't be an issue... He's not protecting us by lying... [the PD's choices] have affected us all... You really thought it was a good idea (to lie to the State)? All of our careers are on the line... I answered {the State Opioid Treatment Authority's Coordinator (SOTA) truthfully when she interviewed me... I know right from wrong... Lying is wrong... You can't sit here and say what was going on here was ethical... I answered truthfully is (because) it was the right thing to do... YOU put your career and license on the line when you lied when you and [the PD were asked about this (client deaths) in the beginning..." According to the report, the associate program director replied: According to the report, the associate program director replied: "...you should have clued me in on the fact that you put my job and my license on the line... Supervisors lie all the time to protect their employees... That was a shitty selfish move on your part (to tell the State about deaths not being reported)... I don't know what you'll try to use against me if this goes to court... [the PD] has never lied to me... You may have gotten us shut down and I may

Circe Medical Services LLC 411 Princeton Road, Suite 101 Johnson City, Tennessee 37601 Phone 423-282-6613

not have job ... If you have a problem with your place of employment, you quit... You threw us (the. Facility) under the bus... "

An interview with another counselor, documented in the state report revealed: "I had to change the documentation to show that he was absent. For 7 consecutive days so he could be shown as discharged and a death report would not have to be reported ... It was unethical and wrong..."

Director of Clinical Practices, detailed in the same report, confirms Crossroads of Greensboro discharged four patients after they died. The causes of death are not mentioned in the report.

A letter from the North Carolina Department of Health and Human Services to Crossroads, dated August 2013, indicated the state issued a \$20,000 penalty for violation of the protection from harm, abuse, neglect, or exploitation, and intent to revoke the Greensboro clinic's license. However, that intent was later dropped, allowing the clinic to keep its license and work out a settlement with the state on the. Fines.

The statement by officials of Crossroads Treatment Center, stated the physician at the center will only be present at the center four hours per week. Due to methadone treated patients having a probability of methadone related emergencies, the medical community will not have a sufficient working relationship with the Methadone Physician in order to treat these medical emergencies.

As the above are known violations as set forth by the state therein, the question remains as to how each violation was rectified and the clinic corrected the procedures going forward in order to prevent the situation from occurring in the future. It is known through great evidence the treatment planning is inadequate and is deficient in effectively using medically based best practices for treatment of patients, specifically those patients diagnosed with a substance abuse disorder.

From: Debbie Bradley <debbylb2@gmail.com>

Sent: Sunday, January 31, 2016 9:54 AM

To: develop.johnsoncitytn.org@gmail.com; Melanie Hill; Jim.Christofferson@tn.gov; Lowavia

Eden; Mark Farber; Mark Ausbrooks; stoutclay@aol.com; dtomita@johnsoncitytn.org; jbanyas@johnsoncitytn.org; jbrook@johnsincitytn.org; citymgr@johnsoncitytn.org;

bwilson@johnsoncitytn.org

Subject: Methadone clinic

Dear Sir/Madam,

I am writing in regards to a Methadone Clinic that Crossroads Treatment Center wants to build on Princeton Road in Johnson City. I am opposed to this as there is a DAYCARE across the street from that location. I am very concerned that our city leaders would give a waiver without contacting the residents that live within .2 mile from the location. There are many families that have lived off Princeton Road for up to 40 years. Many are elderly or disabled themselves. They should not have to live in fear from possible break ins or increase in traffic up and down their road. I have an elderly blind brother that is very upset about this as he sits out side a lot and is afraid that someone from this clinic will walk upon him and harm him. I don't quite understand how a person who chose to use drugs has more rights than truly disabled residents that don't want to live in fear in their own home or neighborhood. I sincerely hope that this facility does not receive a certificate of need to build near a DAYCARE OR RESIDENTIAL AREA.

Thank you
Debbie Bradley and Robert Bradley
2308 Nave Drive
Johnson City, TN 37601
(423) 426-2523

January 27,2016

Ms. Melanie Hill TN Health Ser. & Dev. Agency 502 Deakerick St Nashville, TN 37232

Dear Madam Hill:

I am writing to oppose the construction of a Methodone Addiction Clinic at the 413 Princeton Road area.

- (1) This is a residential area with many children we need to be concerned about.
- (2) Plus, several older widows, my friends who live alone.
- (3) There is an elementary school less than a mile away.
- (4) There is an after school care center ACROSS the street.
- (5) Having a facility of this nature across from our subdivision will cause excessive crime, break-in of homes and cars, theft, etc. (which we would need to be always concerned about).
- (6) This will definitly cause our home value to immensely decrease.

For all these reasons, a treatment center such as this $\underline{\text{SHOULD}}$ $\underline{\text{NOT}}$ be allowed in a residential area.

Would you want one a few blocks from your house?

Thank you very much.

C. Greer

rydal

2202 Nave Drive Johnson City, TN

2216 Kipping Street Johnson City, TN 37601 January 28, 2016

Melanie M. Hill

Executive Director
Tennessee Health Services and Development Agency
502 Deaderick Street, Andrew Jackson Bldg., 9th Floor
Nashville, TN 37243

Ref: Community Flyer re: 'Proposed" Methadone Clinic at 413 Princeton Road received January 28, 2016

Subject: Opposition to 'Proposed" Methadone Clinic at 413 Princeton Road

Dear Ms Melanie M. Hill;

My wife and I have a home near the reference building. We are relatively new to the neighborhood. After a productive search we purchased (April 2015) what we believed to be the perfect house, in a perfect neighborhood with convenient access to church, work, shopping centers, major thoroughfares and so forth but nestled away in a cozy style that is pleasing and appealing.

We still believe this to be the case, however, we, like most other residents along the Princeton Road corridor, were shocked to learn of the 'proposal' to open a Methadone Clinic at 413 Princeton Road. I first learned of this watching Channel 11 News late one evening. Since we are still getting to know the neighborhood, I thought this matter was common knowledge to our neighbors; that we just hadn't "gotten the word". Information contained in the referenced document conveys the fact that my wife and I are not the only ones caught off guard by this revelation. I applaud Ms Linda Jordan for taking the initiative to alert the community and bring appropriate attention to what was in the works. A term that is bantered about in the news media, transparency, is applicable to this 'proposal'. The clipping attached to the referenced flyer included a copy of a news article which stated:

- 1) "Members of Johnson City's Board of Zoning Appeals removed the final local hurdle Thursday night for building an addiction treatment center..."
- 2) "Similar facilities have been met with fierce opposition from residents in the past when proposed, but no one spoke Thursday against the item on the BZA's."

I am confident in this assertion, had I known, you would have heard from me loud and clear, in no uncertain terms: I STRONGLY OPPOSE ANY CONSIDERATION FOR ESTABLISHING A METHADONE CLINIC AT 413 PRINCETON ROAD!! I know that there are many others in the community who share my perspective.

How the "powers that be" feel it is acceptable to open a clinic of this type in a well established community is, in a word – SCANDALOUS!! I wonder if Ms Hill and her circle of like-minded cohorts gave any consideration to opening a Methadone Clinic in "their" respective neighborhood! As it is appropriately and accurately stated in the flyer, the track record of events associated with such clinics is appalling. The area in and around Princeton Road has been, and continues to be, attractive and desirable for all the right reasons. The residents of this community must have their 'voices' heard; we are within our rights to demand input or a vote or some form of judicial examination / ruling on what is

best for the community. As I see it, this is a matter that deserves specific medical oversight — the clinic should be situated in an established medical facility, e.g., in or adjacent to the Johnson City Medical Center or Sycamore Shoals Medical Center (Elizabethon, TN). In no way should the move be approved to open a Methadone Clinic at 413 Princeton Road!

The community at large must be given advanced notice of the next 'meeting', any meeting, on this issue. Too much is at stake for this community for such a decision to be left to the whim of a few unconcerned, unaffected 'decision-makers'. There has to be some accountability in this regard and, to date, it appears to be in short supply.

Again, my wife and I stand in strong opposition to the proposal to build a Methadone Clinic at 413 Princeton Road. Notice served!

Most sincerely,

Margaret and Norman Davis

BOARD OF ZONING APPEALS

Vote clears local hurdle for addiction center plan

Treatment facility now must win state approval

> By NATHAN BAKER Assistant News Editor nbaker@johnsoncitypress.com () 1.3

Members of Johnson City's Board of oning Appeals removed the final local irdle Thursday night for the building an addiction treatment facility, the rst of its kind in the city.
With a 4-0 vote, the board-granted a ectal exception to Crossroads Treat-

ent Centers, allowing the company to tild a facility at 413 Princeton Road at will treat opioid-dependent individ-

i da salima

12 0 20

See TREATMENT, Page 2A

Continued from 1A

individuals with methadone and other drug treatments, psychological counseling and social programs. The board included conditional requirements in its approval: first that Crossroads receive a certificate of need from the Tennessee. Health Services and Development Agency; and second, that fencing and this spring and finish in the earthen berms be built spring of 2017 along the sides of the property to discourage visitors

from wandering onto neigh-boring land. These types of facilities attract a lot of traffic friends and family mem. bers waiting in cars while people receive treatment, and adjoining properties suffer," BZA: member Jenny Lockmiller said. "I would like to see fencing, some sort of physical barrier to keep people from free-flowing between the two parking lots."

After conferring with the attending representatives from Crossroads, which said the proposal was lagreeable, the board marked desired locations for fencing and 3-foot-tall landscaping berms on an overhead map of the property.

Around the northern edges of the site, the farthest from Princeton Road where most of the 85 parking spaces are planned, the members drew fencing along the rear and halfway to the road frontage on the east and west sides. Along the remainder of the east and west edges, they placed berms with evergreen landscaping

Company representa-tives agreed to the placement of the barriers, and, hough he said making the landscaping a condition of the special exception put

the board in "a bit of a gray area," Johnson City Attorney Erick Herrin said the requirements should not be

a problem.

Consideration of Cross roads' application for a certificate of need by the state regulatory agency should take place on Feb. 24. If it is approved, company representatives said construction could start as early as

Crossroads Treatment Centers now operates 12 treatment facilities in five states, including one in Asheville, North Carolina, but the company's representing attorney, John King, said this would be the first in Tennessee. Four others are in stages of local and state there are 11 open in Tennesapproval processes and 22 are in early development

stages, King said.

Last year, the city changed the zoning regulations as they pertained to non-residential substance abuse treatment facilities. As recommended by the city planners, the commissioners removed provisions dictating distance requirements for the facilities from schools, day-care facilities, parks and store; that sell alcohol. They also struck down the 7 a.m. to 8 p.m. mandated limits on their hours of operation.

Similar <u>fa</u>cilities have been met with fierce opposition from residents in the past when proposed, but no one spoke Thursday against the item on the BZAW) agenda Curve we didn't View

Herrin underscored that the zoning board was not making a discretionary call as to whether treatment clinics should be allowed in

the city.

"We do not license methadone clinics, doctors offices or Suboxone clinics," the attorney said. "Community conc as should be directed to the Health Services Agency, which will be evaluating the application for the certificate of need

"Even though we know there is community concern being expressed, it's a legal business, and in fact, see now. You warries a local is

Follow Nathan Baker on Twitter at @jcpressbaker or on Facebook at facebook.com/jepressbaker,

CORRECT "WE DIDN'T KNOW." N. DAVIS

CN1511-048

GINGER H. ISON 1108 Estate Drive Johnson City, TN 37604

TO: Melony Hill, Executive Director

HSVA

TN Health Services & Development Agency

FAX: 615-741-9884

Please accept this fax as my disapproval of the two methodone clinics that have petitioned in Johnson City, TN.

I am a Senior Citizen and work in the Industrial Park off Princeton Road in Johnson City, Silverdale Drive. Princeton Road is already very busy and I do not feel it would be OK to add two clinics, Crossroads, and New Pass that has to used this street and Springbrook Drive.

Plesae call me if there is a question to my opinion to these clinics being certified in our area, 423-483-2482.

Lingu Sor

Kent Herrin (1919 - 1994)

K. Erickson Herrin Earl R. Booze Samuel K. McPeak



P.O. Box 629 515 East Unaka Avenue Johnson City, TN 37605-0629

attorneys@hbm-lawfirm.com

Phone (423) 929-7113 Fax (423) 929-7114

January 6, 2016

Melanie M. Hill **Executive Director** Tennessee Health Services and Development Agency 502 Deaderick Street, Andrew Jackson Bldg., 9th Floor Nashville, TN 37243

Re:

Crossroads Treatment Center

CN1511-048

Ms. Hill:

I am serving as legal counsel to the City of Johnson City with respect to the proposed Crossroads Treatment Center. During a zoning hearing some of the attendees submitted letters related to the Crossroads clinic that should have been submitted to the HSDA.

I have enclosed those letters for your file.

Very truly yours,

HERRIN, BOOZE & McPEAK

Erickson Herrin lisa@hbm-lawfirm.com

KEH/mlm

Enclosures: As Stated

Jeseus Christ Reigns Jan 2016 To whom it may concern: When (a) person (5) gives an addict medication THEY become liable by law for the life of that addict. This is be coming an enabler, a supplier, like a "drug" dealer of sorts, Proposal: A The health dept, is well able to accommodate a "dependance" clinic Usually these are not effective, dangerous and operate in the "red". The mandate would stipulate the following: client pays, 3 months minimum, I year maximum all this is non- negotiable. Fraposal: B Having those yersons who believe methodone "works", skp-up to the plate", be reasonized and be accountable. Thank you for your time

Neilson, Steve

From: Sent: Tammy Lowe <Tlowe@Hanger.com> Tuesday, January 05, 2016 1:37 PM

To:

Neilson, Steve

Subject:

Methadone clinic in Johnson City

I want to voice my opinion in very strong opposition for a methadone clinic in Johnson City. Inside the city limits is absolutely not the place for something like this. I actually don't believe in them at all, but how could this beautiful thriving city even entertain the idea of polluting this are with a methadone clinic. Princeton Road is a high traffic area that already has issues with speeding (just ask the patrol officers that issue tickets every single day). A day care is located right across the street and parents and children driving in and out of this area do not need to be subjected to drivers using methadone.

Of the tri-cities region, Johnson City is known to be the best! I am currently selling my home to try to move the Johnson City to be closer to work. I do not want to live here with methadone clinics operating. They are nothing more than a drug addict's haven for more drugs and their sole interest is milking what little money these people have left. They will lie, cheat, and steal to get methadone. We don't need this...Please do not ruin this city!

Tammy Lowe

Office Administrator

Hanger Clinic

502 Princeton Road Johnson City, TN 37601 Office: 423.282.5131 Fax: 423.282.3084

Email: tlowe@hanger.com

Empowering Human Potential

www.Hanger.com www.Facebook.com/HangerNews www.Youtube.com/hangernews

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persons or entities other than the intended

recipients is prohibited. If you received this in error, please contact the sender and delete the material from any computer.

Think green: Only print this e-mail and any attachment if necessary.

Neilson, Steve

From:

tvalkeofic@aol.com

Sent:

Monday, January 04, 2016 6:12 PM

To:

Neilson, Steve

Subject:

Crossroads Treatment Petition opposition from local business

Dear Mr. Neilson,

My name is Tony Valk, co-owner of Evergreen of Johnson City 511 Princeton Road Johnson City and I am emailing you to strongly oppose the possible construction of the methadone clinic on 413 Princeton Road! Below are several reasons why I oppose this site for this business.

- 1) Often, my staff is either working early morning hours (6am) or late hours (up to 10 pm). Especially during the darkness of these work shifts, there will be less safe employment environment for my staff. With the majority of our staff being females, this is an even higher concern.
- 2) I anticipate there will likely be "customers" to this proposed methadone clinic "killing time" before or after their clinic visits by walking around Evergreen . I have a high percentage of elderly shoppers that would feel uneasy in this shopping environment.
- 3) Especially in our busiest spring months, I count on numerous young adults (as young as 16 years old) to fulfill Evergreen's work chores. As a parent in recent years, I would not appreciate exposure to these methadone clinic patients for teenagers.

thank you for taking time to read and acknowledge this email concern. I wish to urgently request finding a different location for the proposed methadone clinic.

Sincerely,

Tony Valk

Think green: Only print this e-mail and any attachment if necessary.

Necember 38, 2015 2220 Bjoudde Dr. School Lity TN 37601

Mr Steve Meilson levely much Carefinetin P.O. By 2150 DEFORMATELY TN 37605

Testarity are against a (methadrac diriet Hen The Heilson: heing constituted de 413 Princeton Read or angulue in un qua- In my ypinera it should never be allowed near a residential

Bank Eyen, Directly of Marcilla Francis Popular

Facsimile Cover Sheet

To: +16157419884

Company:

Phone:

Fax: +16157419884

From: Tom Shelton

Company: Heritage Insurance Group

Phone: (855) 377-3355 * 102

Fax: (423) 328-8832

Date: 01/12/2016

Pages including this

cover page: 2

Comments:

Crossroads Treatment Cemter

From: Tom Shelton

Fax: (423) 328-8832

To: +16157419884



Bennett & Edwards Insurance (1916)
Erwin Insurance Agency Inc. (1909)
Faw & Sherrod, Inc. (1941)
Frank Parsley Insurance Agency (1956)
Gibson & Turner Insurance (1966)
Parsley/Bryant Insurance Agency (1985)
Speed, Taylor & Artrip, Inc. (1919)
Toohey & Jordon Insurance, Inc. (1944)

January 12, 2016

Melanie M. Hill
Executive Director
Tennessee Health Services and Development Agency
505 Deaderick Street
Andrew Jackson Building, 9th Floor
Nashville, TN 37243

Re:

Crossroads Treatment Center

CN1511-048

Dear Director Hill:

Crossroads Treatment Center has proposed placement of a Methadone Treatment Facility in Johnson City, TN. That facility would be located on Princeton Road, approximately one block from a company which I own, Heritage Insurance Group.

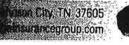
I am writing to indicate that I am very much opposed to this facility. This area has always been an area of professional and medical offices, schools and churches, with excellent reputations. I am concerned that Crossroads purchased the proposed site through another company, in order to hide their identity from the seller. I am also concerned that Crossroads has a less than stellar record, with many patient deaths, particularly in North Carolina. I would prefer no methadone treatment facility in this location, but if there must be one, I hope that a more reputable company would be the owner/operator. Therefore, I respectfully request that you deny this Certificate of Need

Sincerely,

Stephen Bryant

President







Susan D. Rollins, M.D. Laboratory Director

Tuesday, January 12, 2016

CN1511-048

Melanie M. Hill Executive Director Tennessee Health Services and Development Agency 502 Deadrick Street, Andrew Jackson Bldg., 9th Floor Nashville, TN 37243

Susan D. Rolli-

Dear Ms. Hill,

I would like to express my concern about the Crossroads Treatment Center opening business in Johnson City in the Princeton Road area. There are a variety of medical practices in and around Princeton Road that have been of long term service to the residents of Johnson City and the surrounding areas. I am not opposed to a comprehensive addiction treatment program center, as currently being proposed by Wellmont and Mountain States Health Alliance, in our area but am concerned about Crossroads Treatment Center coming to our neighborhood because of information I have received regarding the quality and level of care provided by this agency.

Respectfully submitted,

Susan D. Rollins, MD

SDR/jg

CN1511-048

Melanie M. Hill Executive Director Tennessee Health Services and Development Agency

I have been practicing Veterinary Medicine at my hospital on Princeton Road for more than twelve years. The Princeton Road corridor has been the home of many professional offices and businesses including Physicians, CPAs, Dental Offices, Quillen Rehabilitation Hospital, Johnson City Ford, and numerous other commercial businesses. As a whole, the businesses in this neighborhood have maintained a flawless professional reputation. Princeton Road is known to the people of Johnson City to be an area where high quality and reputable business occurs.

I have spoken to many of my commercial neighbors on Princeton Road, and we are all quite concerned that the corporation known as Crossroads Treatment Center would have to go to such lengths as changing their name and falsifying statements in order to purchase land on Princeton Road to build a Methadone clinic. It has been discovered that they have had past violations and questionable medical practices on multiple occasions.

My medical and commercial business neighbors and I are not opposed to a comprehensive addiction treatment program as currently proposed by Wellmont and Mountain States Health Alliance. We are, however, completely opposed to the location and certification of the Crossroads Methadone Clinic in our medical and business community on Princeton Road. We, as a business community, ask that The Health Services Developmental Agency not issue a certification of need to Crossroads Methadone Treatment Center. Thank you for your time and consideration.

The first of the second of the

Sincerely,

Shelley Brouillette, DVM Veterinary Medical Center

205 Princeton Rd.

Johnson City, TN 37601

CN1511-048

SHORTER, CARDEN, MITCHELL & GRAY, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

PRINCETON SQUARE, SUITE 29 206 PRINCETON ROAD JOHNSON CITY, TENNESSEE 37601 TEL: (423) 282-1431 FAX: (423) 282-6012

J. S. SHORTER, C.P.A. J. E. CARDEN, C.P.A. J. E. MITCHELL, C.P.A. G. C. GRAY, C.P.A.

January 14, 2016

MEMBERS

AMERICAN INSTITUTE AND

TENNESSEE SOCIETY OF

CERTIFIED PUBLIC ACCOUNTANTS

Melanie M. Hill
Executive Director
Tennessee Health Services and
Development Agency
502 Deaderick Street
Andrew Jackson Bldg., 9th Fl.
Nashville, TN 37243

The Princeton Road area has for many years been the home of many professional offices, including physicians' offices, dental offices, North Side Hospital and emergency room facilities, Quillen Rehabilitation hospital and many commercial offices.

All of these medical offices have enjoyed a reputation of the highest level. Princeton Road is known among the people of the community to be an area where quality medical and dental care can be and has been attained.

The professional and commercial offices in the Princeton Road area are quite concerned that a corporation known as Crossroads Treatment Center would have to change their name and falsify statements in order to purchase land in this area to build a Methadone clinic. Upon investigation, we have discovered areas of past violations and questionable medical practices and treatments by this corporation.

The medical, dental and commercial businesses in this area <u>are not opposed to a comprehensive additional treatment program</u>, as currently being proposed by Wellmont and Mountain States Health Alliance. However, you can understand our total opposition to the particular location and certification of the Crossroads Methadone Clinic in our medical community on Princeton Road.

We the medical and business people of this area hope The Health Services Developmental Agency will not issue a certificate of need to Crossroads Methadone Treatment Center.

Sincerely,

Joan E. Mitchell

Joan & Mitchell

CMS11-048

SHORTER, CARDEN, MITCHELL & GRAY, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

PRINCETON SQUARE, SUITE 29 206 PRINCETON ROAD JOHNSON CITY, TENNESSEE 37601 TEL: (423) 282-1431 FAX: (423) 282-6012

J. S. SHORTER, C.P.A. J. E. CARDEN, C.P.A. J. E. MITCHELL, C.P.A. G. C. GRAY, C.P.A.

January 14, 2016

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Melanie M. Hill
Executive Director
Tennessee Health Services and
Development Agency
502 Deaderick Street
Andrew Jackson Bldg., 9th Fl.
Nashville, TN 37243

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The medical, dental and commercial businesses in this area are not opposed to a comprehensive additional treatment program, as currently being proposed by Wellmont and Mountain States Health Alliance. However, you can understand our total opposition to the particular location and certification of the Crossroads Methadone Clinic in our medical community on Princeton Road.

We the medical and business people of this area hope The Health Services Developmental Agency will not issue a certificate of need to Crossroads Methadone Treatment Center.

James & Shorter

James S. Shorter

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency 502 Deaderick St, Andrew Jackson Bldg, 9th Floor Nashville, TN 37243

1511-048

Dear Ms. Hill:

It has recently come to my attention that Crossroads Treatment Center is applying for approval to open a methadone clinic on Princeton Road in Johnson City, Tennessee. I feel a certain ethical and moral obligation to express my opposition to this, as it may pose a serious threat to the health and well-being of the people in our community.

The first issue is the questionable – and in some cases, illegal – practices of the company's executives, Dr. Scott Ray and Steve Kester. It is a known fact that patients have <u>died</u> as a direct result of the treatment that they received at one or more of these clinics. While this is a tragedy in each case, what is even more reprehensible is the company's response to it: they tried to cover it up by going back to the patient's records and altering (i.e. falsifying) them! This is downright illegal. As such, the practices of the company are not trustworthy.

The second issue is the clientele of such a business. I have worked at a multi-disciplinary pain clinic in the past, and I have seen first-hand that a business of this type will invariably attract criminals and drug addicts. This is not a judgmental statement but rather a factual observation. Furthermore, the conduct of these people was very objectionable. The parking lot was constantly littered with discarded cigarette butts despite the presence of ample ashtrays; the bathroom stalls were smeared with feces multiple times; a used condom was found in the middle of the parking lot; and more than once, a person was seen urinating behind the garbage dumpster – presumably in an effort to help a friend pass a urine drug screen. Princeton Road is home to many fine family-oriented businesses whose customers (some of whom are kids) do not need to witness these kinds of activities.

My colleagues and I are not opposed to a comprehensive addiction treatment program. While there may be people who benefit from the services of a methadone clinic, it should be located in a more sparsely populated area of the city – and it <u>definitely</u> should be operated by someone of high moral and professional character, unlike Dr. Scott Ray and Steve Kester who are seeking approval. For these reasons, I ask you: PLEASE <u>DO NOT</u> APPROVE THE METHADONE CLINIC "CROSSROADS TREATMENT CENTER," OR ANY BUSINESS FOUNDED BY DR. SCOTT RAY AND/OR STEVE KESTER, AND ESPECIALLY NOT ON PRINCETON ROAD IN JOHNSON CITY, TENNESSEE.

I thank you for your consideration of this very important matter.

Sincerely,

Dr Scott Carruthers

TELEPHONE (423) 926-2741

January 18, 2016

Melanie M. Hill

Executive Director

Tennessee Health Services and Development Agency

502 Deaderick Street, Andrew Jackson Building, 9th Floor

Nashville, TN 37243

Re: Crossroads Treatment Center

CN1511-048

To Whom It May Concern:

The Princeton Road area in Johnson City Tennessee has been the home of many professional offices for several years including: physicians, dentists, Quillen Rehab, financial advisors, mortgage investors, commercial offices, and child care centers. All of these offices demand the highest levels of professionalism to ensure client retention and satisfaction.

It has come to my attention that a corporation known as Crossroads Treatment Center would like to establish a location on Princeton Road. I am concerned that allowing this corporation to build and operate a facility on Princeton would have a negative impact to the area and create a potential risk for my patients. My research indicates that this company has had numerous violations in the past regarding questionable medical practices and treatments. It has also been brought to my attention that this company used a different name and falsified statements in order to purchase land to build a methadone clinic.

Please understand that I, along with the other professional services on Princeton, am not opposed to a comprehensive addition treatment program as currently proposed by Wellmont and Mountain States Health Alliance. My only opposition is to the particular location, certification, and business practices of the Crossroads Methadone Clinic in our community on Princeton Road.

We, the medical and business community of this area, implore the Health Services Development Agency to deny the certificate of need to the Crossroads Methadone Treatment Center location on Princeton Road in Johnson City, Tennessee.

Respectfully

David T. Hamilos, DPM, DABPS, DABPO



January 20, 2016

Ms. Melanie M. Hill Executive Director Tennessee Health Services and Development Agency 502 Deaderick Street, Andrew Jackson Bldg, 9th Floor Nashville, TN 37243

RE:

Crossroads Treatment Center

CN1511-048

Dear Ms. Hill:

I am writing to express my concern regarding the proposed Methadone clinic on Princeton Road. In 2014, Mitch Cox Companies purchased the former Traco building, which had been vacant for several years. This former warehouse has been recently renovated and now serves as office space and headquarters for these tenants: LabConnect, Universal Companies, Mitch Cox Companies (our office), Bluebell Ice Cream, AMP Electric, Mid-Atlantic Roofing Systems, and Just Jump (a trampoline recreational center for children of all ages). This complex is less than a half mile from the proposed site of Crossroads Treatment Center.

Last year I purchased a former school building, which had been vacant and through neglect became dilapidated. Efforts are currently underway to renovate this building to act as the primary campus for Coalition For Kids, a not-for-profit organization serving underprivileged children. Our vision is for this campus to eventually serve 500+ children in our community. This campus is within walking distance of the proposed Methadone Clinic.

The medical, dental, and commercial businesses in this area are not opposed to a comprehensive addiction treatment program as is currently being proposed by Wellmont and Mountain States Health Alliance. Upon investigation we have discovered areas of past violations and questionable medical practices and treatments by Crossroads Treatment Center. Therefore, you can understand our opposition to the particular location and certification of Crossroads Methadone Clinic in our community on Princeton Road.

As a concerned citizen and businessman, I respectfully request a certificate of need would not be issued to Crossroads Methadone Treatment Center by The Health Services Developmental Agency.

Sincerely,

Mitch Cox

Chief Executive Officer

1511-048 303 East 11th avenue Johnson City, TN 37601 23 Jan 2016 Dear Director Hill, This letter is written in opposition to the crossroads Freatment center in Johnson City. Methadone potients are frequently dosed on site and are sedated by the ingested methodone. This sedation causes impaired driving and needless deaths. Methadone kills by respiratory depression and cardiotopicity.

addiction treatment is good, but methadoul is bad. New pharmacentrale are safer and more efficient in treating operate addiction. Sincerely,

Pay Mettetal Jr MD

- Board Certified by american Board of addiction Medicine -423-341-7538 (all)



1/14/2016

1511-048

Melanie M. Hill Executive Director Tennessee Health Services and Development Agency

Ms. Hill,

By way of introduction, my name is Dr. Bo Westmoreland, and I am a dentist in Johnson City TN. I have owned an office and practiced since 1996, the last 13.5 years on a medical stretch named Princeton Road. The Princeton Road area has for many years been the home of many professional offices, including physicians, dentists, Quillen Rehabilitation Hospital and many other commercial offices. All of these medical offices have enjoyed a reputation of the highest level. Princeton Road is known among the people of the community to be an area where quality medical and dental care is obtained.

These offices are extremely concerned that a corporation known as Crossroads Treatment Center would have to CHANGE THEIR NAME and falsify statements in order to purchase land in this area to build a METHADONE clinic. From our understanding, they actually mislead the owners of the land (Mtn States Health Alliance) and "conned" them into selling this land , using a fake / dummy corporation. This is in and of itself illegal. Upon investigation by local news WJHL, we have discovered areas of past violations and questionable medical practices and treatments by this corporation, including MULTIPLE DEATHS OF PATIENTS AND THE SUBSEQUENT COVER-UP OF THESE DEATHS! Further google search easily finds many other serious malpractice issues by this "clinic" in MULTIPLE STATES! The medical, dental and commercial businesses in this area are NOT opposed to a comprehensive addiction treatment program as currently being proposed by Wellmont and Mountain States Health Alliance. We simply feel it should not be in such close proximity to all these family practices. Furthermore, there are 3 child DAYCARE facilitites in the immediate area.... They are obviously concerned. We ,as doctors, have no problem with the idea of an addiction clinic, we just feel it should be near the hospital , Johnson City Med center.

Enclosed are several examples pulled from the news and google showing the blatant malpractice by this group. My sincere hope is that you and others will read through these.

Hopefully you can understand our total opposition to the particular location and certification of the Crossroads Methodone Clinic in our medical community on Princeton Road

We ,the medical and business people of this area, hope the Health Services Developmental Agency will not issue a certificate of need to Crossroads Methodone Treatment Center.

J.D. "Bo" Westmoreland, D.D.S.

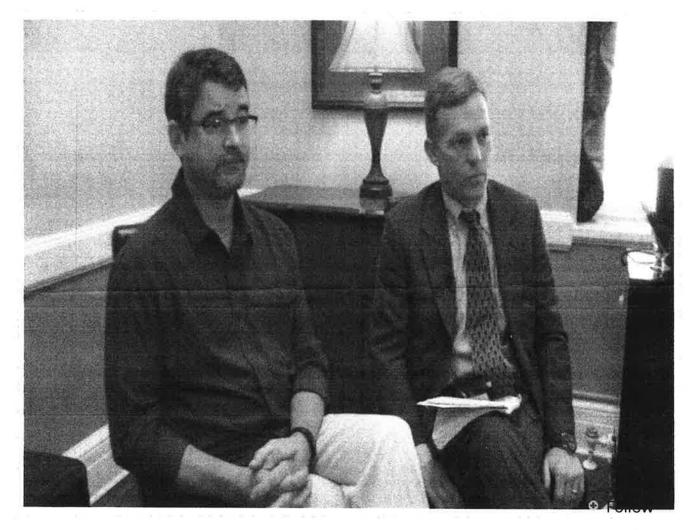
Sincerely,



Company behind methadone clinic addresses patient death cover-up, past inspections



By Nate Morabito (http://wjhl.com/author/wjhlnatemorabito/) Published: January 5, 2016, 5:38 pm | Updated: January 5, 2016, 6:09 pm



Follow "WJHL"

Eight months after a News Channel 11 investigation uncovered problems at methadone clinics in other states, Crossroads Treatment Centers' executives are answering our questions about its inspection history.

Johnson City's Board of Zoning Appeals is hearing a <u>request</u> (http://wjhl.com/2015/12/31/johnson-city-to-hear-proposed-methadone-clinic-zoning-request-tuesday/) from the company to build a methadone clinic on Princeton Road tonight.

In the meantime, we've learned the states of North Carolina and Virginia found issues at two of Crossroads' clinics in 2015; deficiencies the company calls minor.

Those revelations come after a <u>previous (http://wjhl.com/2015/05/04/methadone-clinic-hopes-to-open-in-tri-cities-records-show-disturbing-details/)</u> News Channel 11 investigation found evidence of inadequate training, dosing errors and even a patient death cover-up at other locations.

"The documents clearly show something that is concerning; the cover up of patient deaths. How do you respond to that?" we asked Crossroads Chief Operating Officer Dr. Scott Ray.

"We can have every policy and procedure and safeguard in place and people can still let you down and that was a case where a person we trusted for a long time, the program director there, let us down," Dr. Ray said. "It can't happen. He was immediately terminated."

Dr. Ray talked for the first time Tuesday about the 2013 cover up of four patient deaths at Crossroads' clinic in Greensboro.

Dr. Ray and Crossroads co-founder Steve Kester say the quality at that clinic and Crossroads' 11 other locations has improved significantly since.

Follow

Follow "WJHL"

"We are a responsible operator," Kester said. "No company that operates as many programs as we do could operate irresponsibly. We were just issued two certificates of need in South Carolina."

"We're very precise in our audits and the changes that we've seen as far as quality have been fantastic," Dr. Ray said.

Still, inspectors found additional issues at two of its clinics last year. In Danville, a Virginia state inspection report revealed an expired credential for an employee and a patient referral issue there.

"Crossroads Treatment Center was inspected on September 10, 2015 where Licensing cited them for: '420.B – Provider shall verify professional credentials; individuals comply with DOHP," Virginia Department of Behavioral Health and Developmental Services spokesperson Maria Reppas said. "An employee's license had expired in June 2015. The provider quickly reconciled the issue, and the employee has ensured that s/he has an active license. This facility does not face any additional penalties."

At the Weaverville location, North Carolina records show 20 patients received methadone doses or changes in take home levels without a dated doctor's signature.

"Physicians should always date their signature," Dr. Ray said. "He always will going forward."

The clinics have since corrected those issues.

Just today we learned of another deficiency, also at the Weaverville clinic, once again involving a patient death. North Carolina inspection records show although the location alerted most of the proper authorities of that death, the clinic failed to properly notify the Division of Health Service Regulation "within 72 hours of becoming aware of the incident."

"This facility was not assessed any penalties related to the above surveys and does not currently have any outstanding penalties," North Carolina Department of Health Human Services spokesperson Alexandra Lefebvre said.

Follow "WIHL"

Kester called that issue an administrative oversight unrelated to care, which he says is complicated by the fact that the person who died was from Carter County. Kester says that's what happens when clinics in North Carolina take care of Tennessee's patients. He says there are different requirements, which result in less coordinated care.

"It's not as smooth when we're taking care of your state's problems," he said.

Kester says Crossroads track record is full of far more success stories than failures.

"We have 5,000 people here who came to us with serious addiction issues and are now in treatment and not addicted and yeah, you could look at the half of one percent or you could look at the 99%," he said.

"But when you're covering up patient deaths, one patient's too many," we responded.

"Absolutely," Kester said.

Crossroads' clinic in Greensboro, where that 2013 cover up occurred, had a clean inspection last year. The company's northwest Georgia clinic had a clean inspection too.

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WJHL

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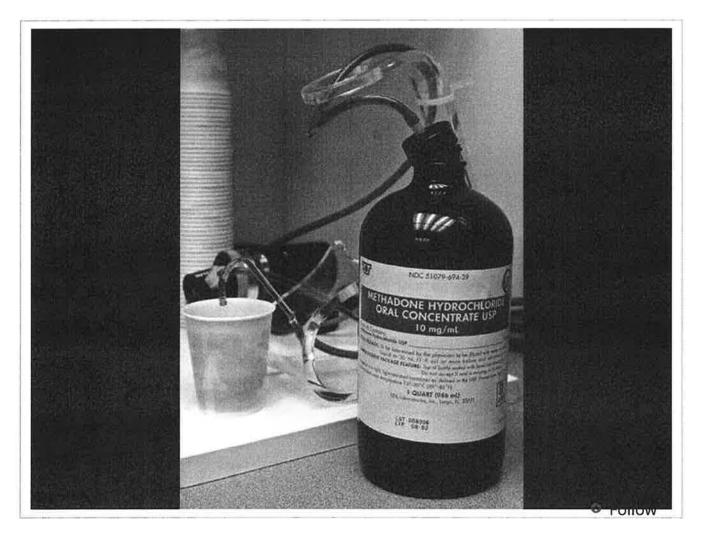
Follow "WJHL"



Methadone clinic hopes to open in Tri-Cities; records show disturbing details

By Kylie McGivern (http://wjhl.com/author/kylie-mcgivern/)

Published: May 4, 2015, 2:05 pm | Updated: December 31, 2015, 4:35 pm



Follow "WJHL"

TRI-CITIES, TN (WJHL) – Say the word methadone and you're bound to get a reaction, here in the region deemed "ground zero" for the prescription drug abuse epidemic.

Some, say the highly addictive substitute drug to wean people off opiate addiction takes lives. Others, say it's saving them.

"Methadone is a dying drug. Methadone is the number one drug involved in overdose deaths both in Tennessee and Kentucky. Methadone is on it's way out. But methadone is a multi-billion dollar industry. And it's not gonna die quietly," Watauga Recovery Center President Dr. Tom Reach told News Channel 11.

"Do I think that buprenorphine is safer in the long run? Yes, I do. Do I think the population that needs medication-assisted therapy can be served with only buprenorphine? No, I don't. There are people who do really, really well on methadone for a long time," addiction treatment expert and professor at East Tennessee State University, Dr. Stephen Loyd said.

Crossroads Treatment Centers is the latest group to apply for a Certificate of Need (CON) in Johnson City, hoping to be the first to offer treatment in the Tri-Cities.

News Channel 11's Kylie McGivern began her investigation into Crossroads Treatment Centers nearly a year ago. In that time, she uncovered documented reports of patients falling through the cracks.

Through a public records request with the North Carolina Department of Health and Human Services, I obtained copies of 2011 – 2014 deficiency reports for Crossroads' Weaverville, Asheville, and Greensboro clinics.

Economic and Social Costs of Opioid Addiction – Determination of Need (.pdf)
 (https://mgtvwjhl.files.wordpress.com/2015/12/economic-and-social-costs-of-opioid-addiction-determination-of-need.pdf)

Follow

- <u>Crossroads Treatment Center Application (.pdf)</u>
 (https://mgtvwjhl.files.wordpress.com/2015/12/crossroads-treatment-center-application.pdf)
- GA Dept. of Human Resources Inspection-5 (.pdf)
 (https://mgtvwjhl.files.wordpress.com/2015/12/ga-dept-of-human-resources-inspection-5.pdf)

Among the hundreds of pages, penalties for "failure to protect patients from harm, abuse, neglect, or exploitation", failure to ensure state and national criminal record checks for employees within five days of hire, inadequate training, dosing errors, and failure to ensure client program compliance.

If you think that's concerning, one stood out above the rest, related to patient deaths.

At 4:30 in the morning, 50-70 miles outside the Tri-Cities, long before the sun rises, the hazy glow of these lights provide what some would call a beacon of hope, for those whose lives have been consumed by darkness.

"Nobody grows up saying, 'Oh, I want to be an addict!" a Crossroads patient, who wanted to remain anonymous, told News Channel 11.

Many consider it the underbelly of society, a population consumed by addiction cast in to the shadows. According to state documents, for at least 300 hundred traveling from the Tri-Cities, the day starts at a Crossroads Treatment Centers' clinic that provides methadone just across the state line in Asheville or Weaverville, North Carolina.

"I'm only 26 years old. And this clinic has saved my life."

Many patients say the travel along the highway keeps them off the streets.

"It's a wonderful thing."

But the commute presents real challenges.

• Follow

"I spend about...\$120 a week in fuel coming over here."

"There's a choice sometimes between driving that extra distance and, and eating."

Crossroads hopes to eliminate the travel barrier by opening its 10th clinic in Johnson City.

"In a lot of cases, it is the only treatment options that can keep people away from IV drug use, putting medications up their nose, doctor shopping, stealing to buy drugs. So there's no question it's life saving," addiction treatment expert and professor at East Tennessee State University, Dr. Stephen Loyd said.

Dr. Loyd treats opiate-addicted pregnant women at High Point Clinic, a non-profit clinic in Johnson City.

"This is the most complex disease process that I know of," Dr. Loyd said. "Addiction, because of it's far-reaching effects on our families, our work, the trauma component of addiction, particularly in the women who are pregnant – these are very complicated issues."

While he says there's a place for methadone in the Tri-Cities, it's a powerful drug that needs to be regulated and comprehensive treatment, done right.

"If you look at addiction in general, it's the wild west when it comes to treatment. I mean, what kind of certification do you have to have in order to treat addiction? If you go to a cardiologist, you're going to assume that cardiologist has been to medical school, residency, done a fellowship and that they're qualified to stick a catheter in your heart. Try doing that for substance abuse. What kind of certifications are we looking at, what kind of training? You know, there are methadone clinics around that think it's okay just to have someone who has just a high school education, you know, serving as a drug and alcohol counselor. And I'm not knocking a high school education. But I can tell you the problem is much too complex. You have to be way more in depth than somebody who has just that level of education and understanding AND their only understanding being if they were addicted themselves," Dr. Loyd said.

Follow

News Channel 11 spoke with one former Crossroads patient, Washington County native Dennis Mull, who says methadone is needed in our area, but has concerns about who will be responsible for providing the powerful drug if a clinic successfully opens in Johnson City.

Kylie: "In the 7 years that you were going to Crossroads, how many times did you actually see a physician?"

Dennis: "I seen a physician on my intake, ah – that was it."

"I think there ought to be a step down program, and rules they ought to be strict about. And people ought to show improvement. I seen them come in there and fall out of their chair and get dosed. I'm not saying I'm perfect, cause I'm not. But I tried to do the right thing," Mull said.

Kylie McGivern started digging through public records from other states where Crossroads operates, and found a state inspection report from Crossroads Treatment Center of Northwest Georgia. The report, from November 2012, reveals 12 of 14 appointed substance abuse counselors were not certified or trained to provide addiction-counseling services.

A state interview with the clinical director, documented in the same report, revealed, "I was not aware that you need certification in the state of Georgia. I thought a high school diploma was adequate. We hire our counselors and employ them as in training."

Then, within a 139-page Statement of Deficiencies for Crossroads' Greensboro clinic, dated July 2013, News Channel 11 discovered the facility failed to implement it's discharge policy. But the detailed report reveals this was much more than an oversight. Rather, an intentional cover-up of four patient-deaths that happened on Crossroads' watch.

Text messages from May 2013 between a counselor and associate program director, transcribed in the state report, reveal the counselor was concerned because:

"I knew [the PD (program director) #1] was lying to us (about not having to report deaths), which he was...if he had done what he was legally obligated to do, this wouldn't be an issue... He's not protecting us by lying... [the PD #1's choices] have affected us all... You really thought it was a good idea (to lie to the State)? All of our careers are on the line... I answered {the State Opioid Treatment Authority's Coordinator (SOTA) truthfully when she interviewed me... I know right from wrong... Lying is wrong... You can't sit here and say what was going on here was ethical... I answered truthfully bc (because) it was the right thing to do... YOU put your career and license on the line when you lied when you and [the PD #1[were asked about this (client deaths) in the beginning..."

According to the report, the associate program director replied:

"...you should have clue me in on the fact that you put my job and my license on the line... Supervisors lie all the time to protect their employees... That was a shitty selfish move on your part (to tell the State about deaths not being reported)... I don't know what you'll try to use against me if this goes to court... [the PD #1] has never lied to me... You may have gotten us shut down and I may not have a job... If you have a problem with your place of employment you quit... You threw us (the facility) under the bus..."

An interview with another counselor, documented in the state report revealed:

"I had to change the documentation to show that he was absent for 7 consecutive days so he could be shown as discharged and a death report would not have to be reported... It was unethical and wrong..."

A state interview with the Corporate Director of Clinical Practices, detailed in the same report, confirms Crossroads of Greensboro discharged four patients after they died.

The causes of death are not mentioned in the report.

A letter from the North Carolina Department of Health and Human Services to Crossroads, dated August 2013, indicated the state issued a \$20,000 penalty for violation of the protection from harm, abuse, neglect, or exploitation, and an intent to revoke the Greensboro clinic's license.

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However that intent was later dropped, allowing the clinic to keep its license and work out a settlement with the state on the fines.

Back in Weaverville, for the hundreds making the trek to treatment, it's a journey they hope comes to an end, with the beginning of a Johnson City clinic.

"I have a job, I have a husband...this clinic it, it helps us – and everybody here to stay off drugs and stay on the right path."

News Channel 11 tried to talk with Crossroads about the deficiency reports. Kylie first began reaching out to co-founder Steve Kester and his attorney in July of last year. Kester never responded. Then, in the last three weeks since Crossroads applied for a certificate of need to open a clinic in Johnson City, we called Crossroads corporate office, its attorney, and CEO numerous times – and sent several text messages. Last week, CEO Rupert McCormac finally replied with a text that simply said:

"My on the record response at this time will need to be 'No comment at this time. We look forward to discussing soon.""

You can find details of other deficiencies in Crossroads' history we uncovered in the section to the left, called "Crossroads Treatment Centers Documents."

WEB EXTRA: Crossroads Treatment Center Documents

- <u>Crossroads Treatment Center of Asheville 011-298 2567 11-4-11</u>
 (https://mgtvwjhl.files.wordpress.com/2015/05/crossroads-treatment-center-of-asheville-011-298-2567-11-4-11.pdf)
- Crossroads Treatment Center of Greensboro PC 041-879 2567b 5-9-12
 (https://mgtvwjhl.files.wordpress.com/2015/05/crossroads-treatment-center-of-greensboro-pc-041-879-2567b-5-9-12.pdf)
- Crossroads Treatment Center of Weaverville PC 011-330 2567L 2-15-13
 (https://mgtvwjhl.files.wordpress.com/2015/05/crossroads-treatment-center-of-weaverville-p-c-011-330-2567l-2-15-13.pdf)

- Crossroads treatment center of Greensboro PC 041-879 2567 7-25-13
 (https://mgtvwjhl.files.wordpress.com/2015/05/crossroads-treatment-center-of-greensboro-pc-041-879-2567-7-25-13.pdf)
- <u>Crossroads Treatment Center of Greensboro PC 041-879 SOA 8-20-13</u>
 (https://mgtvwjhl.files.wordpress.com/2015/05/crossroads-treatment-center-of-greensboro-pc-041-879-soa-8-20-13.pdf)
- <u>Crossroads Treatment Center of Greensboro PC 041-879 ITR 8-20-13</u>
 (https://mgtvwjhl.files.wordpress.com/2015/05/crossroads-treatment-center-of-greensboro-pc-041-879-itr-8-20-13.pdf)
- <u>Crossroads Treatment Center of Greensboro PC 041-879 Type A1 8-20-13</u>
 (https://mgtvwjhl.files.wordpress.com/2015/05/crossroads-treatment-center-of-greensboro-pc-041-879-type-a1-8-20-13.pdf)
- <u>Crossroads Treatment Center of Greensboro PC 041-879 POCL 10-2-13</u>
 (https://mgtvwjhl.files.wordpress.com/2015/05/crossroads-treatment-center-of-greensboro-p-c-041-879-pocl-10-2-13.pdf)
- <u>Crossroads Treatment Center of Greensboro PC 041-879 2567L 11-20-13</u>
 (https://mgtvwjhl.files.wordpress.com/2015/05/crossroads-treatment-center-of-greensboro-p-c-041-879-2567l-11-20-13.pdf)
- <u>Crossroads Treatment Center of Weaverville PC 011-330 2567L 5-30-14</u>
 (https://mgtvwjhl.files.wordpress.com/2015/05/crossroads-treatment-center-of-weaverville-p-c-011-330-2567l-5-30-14.pdf)
- <u>Crossroads Treatment Center of Greensboro PC 041-879 POC 08-27-14</u>
 (https://mgtvwjhl.files.wordpress.com/2015/05/crossroads-treatment-center-of-greensboro-pc-041-879-poc-08-27-14.pdf)
- <u>Crossroads Treatment Center of Greensboro PC 041-879 2567L 8-27-14</u>
 (https://mgtvwjhl.files.wordpress.com/2015/05/crossroads-treatment-center-of-greensboro-p-c-041-879-2567l-8-27-14.pdf)
- Crossroads Treatment Center of Greensboro PC 041-879 Type A1 9-16-14
 (https://mgtvwjhl.files.wordpress.com/2015/05/crossroads-treatment-center-of-greensboro-p-c-041-879-type-a1-9-16-14.pdf)
 Follow

<u>Crossroads treatment center of Greensboro PC 041-879 2567b 11-4-14</u>
 (https://mgtvwjhl.files.wordpress.com/2015/05/crossroads-treatment-center-of-greensboro-pc-041-879-2567b-11-4-14.pdf)

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probation-fined/)

Connecticut Health Investigative Team (http://c-hit.org/2014/08/04/new-haven-drug-treatment-facility-placed-on-

August 4, 2014

New Haven Drug Treatment Facility Placed On Probation, **Fined**

By Kate Farrish

A New Haven substance abuse treatment center has been censured and fined \$2,500 for multiple violations, including allowing clients to take a 2013 limousine ride to City Hall to vote with alcohol in the vehicle.

Crossroads Inc. was also placed on probation for two years and will be required to hire an independent contractor to provide six months of updates on whether the facility is making improvements and is in compliance with state regulations. Board chairperson Genoveva Palmieri agreed to the penalties in a June 27 consent order with the state Department of Public Health.

During inspections in June, September and November 2013, the center was found to have multiple violations of state regulations, including failing to provide a safe and clean environment, failing to properly supervise residents and failing to safely control medication, smoking and sharp objects, DPH records show.

Palmieri and Clifford Skolnick, who became executive director on June 23, said Monday that many changes are being made to comply with the state regulations.

"We're taking this consent order very seriously," he said. "I'm carrying it around like a Bible correcting items on a day-to-day basis."



(http://chit.wpengine.netdna-cdn.com/files/2014/08/Crossroads.jpg) On the day of the municipal election, Nov. 5, 2013, a board member took 11 female clients to vote, with no staff members along for the limo ride, but with alcohol present, DPH records show. The limo driver videotaped some of the women getting out of the limo and the limo company placed the video on a website without the permission from the women, DPH records show. The video was later taken down.

DPH concluded that the home failed to provide for the women's privacy because they were videotaped without their permission, records show.

An investigation determined that 13 male clients were also taken to vote that day in the limo, and some female clients reported that some of the men smelled of alcohol and appeared under the influence, records show. No urine tests were conducted on their return to Crossroads, DPH found.

Dr. Miguel Caldera, the executive director at the time, approved the limo rides and concluded no urine tests were required because the clients had only gone to vote, records show. The board member had assured him that there would be no alcohol in the limo, records show. A person answering the phone at Crossroads Monday said Caldera is no longer working there. Caldera admitted to state officials that approving the "last-minute" voting trip was "a really bad judgment call on his part" because such a trip should have been planned weeks in advance, DPH records show.

Caldera left as executive director in January as part of a mutual decision with the board, Palmieri said. Skolnick said that "there is a great deal of supervision" now and that he is "more hands-on" than Caldera was.

Other violations were outlined in state letters to Caldera on Aug. 23, Oct. 15, and Dec. 11, 2013. They included a failure to safeguard children in the home's nursery playroom because one client was supervising the two toddlers of another client with no staff members present. A plastic bike in the nursery was also missing a seat, and a swing was not level with the floor, records show.

State inspectors also found that medication, including methadone, was kept in unlocked cabinets and that clients took medication without an aide first checking the drugs against a prescribed medication card.

Crossroads also failed to provide at least a semi-annual training session for staff related to medication, failed to properly maintain first-aid kits, failed to properly monitor refrigerator temperatures and lacked documentation on staff performance evaluations, reference checks or certifications, the violation letters state.

The home also failed to provide a psychiatric evaluation in a timely manner for one client who had psychosis, schizophrenia, had tried hanging him or herself in prison and who was hearing voices compelling him or herself to commit suicide or homicide, DPH records state.

Crossroads also failed to document treatment plans or progress notes for several clients, including those with opiate and alcohol dependency and depression, records show.

Clients were seen with razors in their rooms despite the home's policy that sharp objects should be signed out, then returned to staff members, records show.

DPH also faulted the home for shoddy conditions, including missing ceiling tiles, a soiled tablecloth, dirty walls and floors, chairs with foam sticking out, rusted doorframes, ripped mattresses, a cracked mirror and a bathroom sink detached from a wall, records show.

Inspectors also recounted finding five bathrooms that smelled like smoke, with some door vents blocked with cardboard or paper towels, and said a staff member reported that clients were smuggling cigarettes into bathrooms to smoke, in violation of the home's policy.

To read the consent order go <u>here</u>

(http://www.ct.gov/dph/lib/dph/facility licensing and investigations/regulatoryactiondocuments/crossroads co 6 27 2014.pdf)

CN 1511-048

From: Melanie Hill

Sent: Monday, February 01, 2016 3:00 PM

To: Joe K

Cc: Jim Christoffersen; Mark Farber; Mark Ausbrooks; Lowavia Eden

Subject: Re: PLEASE STOP THE METH CLINIC

Thank you for your letter. I will share it with Agency members prior to the <u>February 24</u> meeting in which the application will be heard.

Melanie

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

www.tn.gov/hsda

Phone: <u>615-741-2364</u> Fax: <u>615-741-9884</u>

Sent from my iPad

On Feb 1, 2016, at 10:11 AM, Joe K < joek com@yahoo.com > wrote:

Mrs. Hill:

I am writing to you to voice my family's concern of the proposed methadone addiction clinic to be build at 413 Princeton Road. This location is very close to our residential neighborhood and basically across the street from our child's daycare! Such a facility need not be added so close to residential homes and child care facilities, this type of clinic should only be allowed in an industrial park or a secluded area away from families. I know I am not alone with these concerns and wish to have my voice heard alongside my community's voice, and urge you and or whomever is responsible for making this decision to please consider relocating this clinic away from our most precious assets, our children!

Concerned citizen,

Joe Kowaleski

From: Melanie Hill

Sent: Monday, February 01, 2016 2:59 PM

To: Mary Greer

Cc: Jim Christoffersen; Mark Farber; Mark Ausbrooks; Lowavia Eden

Subject: Re: Methadone Clinic

Thank you for your letter. I will share it with Agency members prior to the <u>February 24</u> meeting in which the application will be heard.

Melanie

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

www.tn.gov/hsda

Phone: <u>615-741-2364</u> Fax: <u>615-741-9884</u>

Sent from my iPad

On Jan 31, 2016, at 6:19 PM, Mary Greer <mngwjg2028@yahoo.com> wrote:

Dear Melanie Hill,

I am writing to you today due to the proposed Methadone Clinic in my neighborhood in Johnson City, Tennessee. My husband and I have lived primarily in Johnson City for our retirement years. We chose this area for convenience for shopping, restaurants, medical office buildings, and our family. It has come to our attention that the city is proposing a Methadone Clinic near our home. We are elderly with limited mobility which causes concern to this news of a Methadone Clinic. I am a retired Registered Nurse. I have dealt with patients with addictions and this concerns me to have to be forced to continue dealing with issues caused by drug addiction. My husband and I are not in the health to protect ourselves from someone on legal or illegal drugs. This is not a solution for these clients this is a substituting one drug for another drug. My husband retired from the VA, he worked with drug addiction patients on a daily bases and this type of clinic will only cause more dependency instead of the freedom from drugs. We have worked 60 plus years for our home and vehicles to insure a comfortable living arrangement. We oppose any addiction program in our "backyard". We do not have the means to fight this issue. We are asking you not to vote for this clinic in our neighborhood. We worked to hard including 2 jobs to provide our retirement home and future inheritance for our children. We know the value will decline with such business next door. We also have concerns for safety not only to us but our grandchildren that likes to play outside. I also like to sit on my front porch drinking coffee and reading the morning paper but this type of clinic we would not feel safe in our own home with the clients that these clinics bring along with the other people it attracts also. We currently still drive and the flow of traffic is manageable for us to drive in our neighborhood but with this increase in traffic would add additional stress upon our independence with our transportation. Please vote No for this certificate of need. We are in our 80's and never dreamed we would have to deal with these issue ever.

Thank you,

Mary Nell Greer

From: Melanie Hill

Sent: Monday, February 01, 2016 2:51 PM

To: kathy_greear@comcast.net

Cc: Jim Christoffersen; Mark Farber; Mark Ausbrooks; Lowavia Eden

Subject: Re: Methadone Clinic in Johnson City, Tennessee

Thank you for your letter. I will share it with Agency members prior to the <u>February 24</u> meeting in which the application will be heard.

Melanie

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

www.tn.gov/hsda

Phone: <u>615-741-2364</u> Fax: <u>615-741-9884</u>

Sent from my iPad

On Jan 31, 2016, at 3:53 PM, "kathy_greear@comcast.net" < kathy_greear@comcast.net > wrote:

Dear Ms. Melanie Hill,

It has come to my attention that the city of Johnson City, Tennessee has approved property to a business for a Methadone Clinic. I am very upset with the city that I live in that the neighborhood was not informed of the possibility of this new business.

One I work across a parking lot of a Suboxone clinic in another city. I watch the police come and go multiple times to barricade the exits of the medical office building where the clinic is operating. I also observe clients bring other people in their vehicles that randomly roam the neighborhood while the client is having their visit. These people argue and fight causing scenes in the parking lot which also involves small children that does not need to be observing such behaviors and languages. I do not feel safe to park my car at my office door which is located in front of the Suboxone Clinic, in fear that someone will break into my car looking for items to sell for cash for their office visit. I park my vehicle and walk the distance to avoid dealing with the situations that arises when the clinic is open. I also work where we have to have a security guard. I also do not park there because their vehicles have been left because they would not restart so therefore leaving the vehicles left abandoned. I take pride in my home and vehicle that I work so hard for over the last 30 years that I do not want my property value to decrease because of drug addiction office. The clients not only congregate in the parking lot but I suspect them selling the drugs due to the large number of people leaving in vehicles together. Then they return to switch cars. I also do not want people wandering thru my

yard while I am at work taking what they choice to take. I do not feel safe in an area that allow this to come into our city unannounced. I do not receive the local paper and have not been watching the news due to personnel family situations consuming my time after work. I was under the impression that zoning was required to be posted for a certain amount of time. I received a letter on my door informing of the city's intention on January 30th. Thank goodness for a neighbor that has updated the neighborhood otherwise we were left in the dark. I notice a red light being placed at the end of the street on January 30th, I assume for the great traffic issue that will occur with this business. If Johnson City is that hard up for tax dollars they need to look into other businesses that does not involve substituting one drug for another. As a nurse this is substituting illegal drug sale into legally selling drugs. This does not help the people but cause more dependency. This form of treatment can take up to 2 years and still not be successful. I ask you to consider the following before approving a Methadone or Suboxone clinic. Would you vote yes if it was across the street from your house, children, grandchildren, elderly which we have 2 blind elderly individuals living in this neighbor alone?

Our neighborhood has 2 daycare centers within walking distances of the new clinic location. One directly in front of the proposed site and other to the left of the property. We also have alcohol sales at the end of the street within walking distances. I was informed that the city would patrol the neighborhood, however, I have never seen a patrol car yet in the neighborhood. If they do not have enough patrol cars now, I do not foresee this to change if this business is approved.

I have been told that this would be a hub from other states surrounding Johnson City for Methadone Clinic like North Caroline and Virginia etc. If the other states do not approve of such clinics why does Johnson City? The only reason I see is for the tax dollars. I sure would not have purchased a house in the area if I had known. I am sure that is why I was not informed during the contracts. I am sure the city of Johnson City does not have the budget to provided security with patrols cars, policemen, security guards and or the means to provide gated community of the neighborhoods that will be effective by this increase in flow of traffic.

I planned on living in this neighborhood and retiring but now I must reconsider cause I want to feel safe in my own house. I want to feel I can go outside without running into strangers roaming through the neighborhood. I want to be able to take my trash out without it being broad daylight and having to provide my own protection. I want to be able to let my grandkids go outside and play but if this clinic opens I will feel like a prisoner in my own home. I ask one more time before approving this Methadone clinic ask yourself would I approve it if it was beside your private home/business?

Thank you for your time and consideration, Kathy Greear kathy greear@comcast.net

From:

Melanie Hill

Sent:

Monday, February 01, 2016 2:49 PM

To:

migm93tn@charter.net

Cc:

Mark Ausbrooks; Mark Farber; Jim Christoffersen; Lowavia Eden

Subject:

Re: methodone addiction clinic

Thank you for your letter. I will share it with Agency members prior to the <u>February 24</u> meeting in which the application will be heard.

Melanie

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

www.tn.gov/hsda

Phone: <u>615-741-2364</u> Fax: <u>615-741-9884</u>

Sent from my iPad

On Jan 31, 2016, at 2:42 PM, "migm93tn@charter.net" < migm93tn@charter.net> wrote:

Melanie M Hill Executive Director

Tennessee Health Services and Development Agency 502 Deaderick Street, Andrew Jackson Bldg, 9th Floor Nashville, TN 37243

Director Hill.

This is in opposition to the construction of the Addiction Treatment Center that is to be built at 413 Princeton Road, Johnson City, TN

My residence is across the street a couple of blocks up and I definitely oppose this facility being near me and my family.

This construction should be halted and moved to a medical community and out of the residential community.

Your help on stopping this facility will be greatly appreciated.

Gary W Davis 2320 Princeton Lane Johnson City, Tennessee 37601 423-361-7553

From: Melanie Hill

Sent: Monday, February 01, 2016 2:47 PM

To: Debbie Bradley

Cc: develop.johnsoncitytn.org@gmail.com; Jim.Christofferson@tn.gov; Lowavia Eden; Mark

Farber; Mark Ausbrooks; stoutclay@aol.com; dtomita@johnsoncitytn.org;

jbanyas@johnsoncitytn.org; jbrook@johnsincitytn.org; citymgr@johnsoncitytn.org;

bwilson@johnsoncitytn.org

Subject: Re: Methadone clinic

Thank you for your letter. I will share it with Agency members prior to the <u>February 24</u> meeting in which the application will be heard.

Melanie

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

www.tn.gov/hsda

Phone: <u>615-741-2364</u> Fax: <u>615-741-9884</u>

Sent from my iPad

On Jan 31, 2016, at 9:54 AM, Debbie Bradley debbylb2@gmail.com> wrote:

Dear Sir/Madam,

I am writing in regards to a Methadone Clinic that Crossroads Treatment Center wants to build on Princeton Road in Johnson City. I am opposed to this as there is a DAYCARE across the street from that location. I am very concerned that our city leaders would give a waiver without contacting the residents that live within .2 mile from the location. There are many families that have lived off Princeton Road for up to 40 years. Many are elderly or disabled themselves. They should not have to live in fear from possible break ins or increase in traffic up and down their road. I have an elderly blind brother that is very upset about this as he sits out side a lot and is afraid that someone from this clinic will walk upon him and harm him. I don't quite understand how a person who chose to use drugs has more rights than truly disabled residents that don't want to live in fear in their own home or neighborhood. I sincerely hope that this facility does not receive a certificate of need to build near a DAYCARE OR RESIDENTIAL AREA.

Thank you Debbie Bradley and Robert Bradley 2308 Nave Drive Johnson City, TN 37601 (423) 426-2523

From: Melanie Hill

Sent: Monday, February 01, 2016 2:44 PM

To: Sharon Durland

Cc: Mark Ausbrooks; Mark Farber; Jim Christoffersen; Lowavia Eden

Subject: Re: Crossroads Treatment Center

Thank you for your letter. I will share it with Agency members prior to the <u>February 24</u> meeting in which the application will be heard.

Melanie

Melanie M. Hill, Executive Director

Tennessee Health Services and Development Agency

Andrew Jackson Building, 9th Floor

502 Deaderick Street

Nashville, TN 37243

www.tn.gov/hsda

Phone: 615-741-2364

Fax: 615-741-9884

Sent from my iPad

On Jan 30, 2016, at 2:28 PM, Sharon Durland <sharondurland@gmail.com> wrote:

Dear Ms. Hill,

I am a resident of Johnson City, and I live less than half a mile from the proposed location of the Crossroads Treatment Center. I'm writing you today to express my deep resistance to this proposal, as it will negatively affect my family's safety, my property value, my ability to resell my home, and the character and quality of my residential environment.

This clinic may be necessary, but it should be located in a medical environment, not a residential zone. We have small children in the neighborhood who have to walk to their school buses, and I feel this clinic endangers them.

Please reconsider the location of this clinic. I appreciate that those who need help will be able to get it, but the risk to those of us who reside here is unacceptable. I urge you to scout a safer location for this clinic. There are many locations that would be much safer for our citizens.

I feel entirely unsafe if this clinic is located near my home, and again, I strongly urge you to relocate it for the good of my community, neighborhood, and family.

Respectfully,

Sharon Durland 2310 Nave Drive Johnson City, TN 37601 sdurland@charter.net 423.534.8837

From:

Melanie Hill

Sent:

Monday, February 01, 2016 2:40 PM

To:

Derrick Byrd

Cc:

Mark Ausbrooks; Mark Farber; Lowavia Eden; Jim Christoffersen

Subject:

Re: Opposition to Johnson City Methadone Clinic

Thank you for your letter. I will share it with Agency members prior to the <u>February 24</u> meeting in which the application will be heard.

Melanie

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

www.tn.gov/hsda

Phone: <u>615-741-2364</u> Fax: <u>615-741-9884</u>

On Jan 30, 2016, at 10:13 AM, Derrick Byrd < byrd.derrick@gmail.com > wrote:

To Whom it May Concern:

I am writing this letter to express my extreme opposition to the proposed addiction treatment center planned for 413 Princeton Rd. In Johnson City. I live in a quiet neighborhood across the street from this location. When I purchased this house several years ago, I knew I had found the perfect place to start a family. My wife and I plan on having children in the next couple of years, and do not wish for them to witness the effects of drug addiction in this neighborhood.

Through research of my own, I have determined that building an addiction treatment center in a residential area will increase crime and decrease property values, neither of which is beneficial to the upstanding taxpayers of this community.

While it may be necessary to place an addiction treatment center in the Tri-Cities, I would like to kindly ask you to reconsider the location of such facility. I believe this would be better suited in a medical corridor or an area farther away from residential neighborhoods.

Thank you for your consideration.

Sincerely,

Derrick & Ashley Byrd 315 Quail Dr. Johnson City, TN 37601

Sent from my iPhone

From: Melanie Hill

Sent: Monday, February 01, 2016 3:09 PM

To: elely@bellsouth.net

Cc: Jim Christoffersen; Mark Farber; Mark Ausbrooks; Lowavia Eden
Subject: Re: Strong opposition to methadone location in Johnson City

Thank you for your letter. I will share it with Agency members prior to the <u>February 24</u> meeting in which the application will be heard.

Melanie

Melanie M. Hill, Executive Director

Tennessee Health Services and Development Agency

Andrew Jackson Building, 9th Floor

502 Deaderick Street

Nashville, TN 37243

www.tn.gov/hsda

Phone: 615-741-2364

Fax: 615-741-9884

Sent from my iPad

On Feb 1, 2016, at 12:09 PM, "elely@bellsouth.net" <elely@bellsouth.net> wrote:

*** This is an EXTERNAL email. Please exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email. - STS-Security***

Ms. Hill,

I appreciate your consideration of my deep concern and opposition related to the methadone clinic planned for 413 Princeton Road in Johnson City, Tennessee. In no way do I claim to be an expert on the need and benefit of such a clinic; I will accept the wisdom and expertise of those who are qualified to make that decision. However, this particular location is rooted in a residential area with many small children, not to mention the fact that there is a day care center -- and an after-school center -- there as

well! In addition, there are two elementary schools within walking distance. Surely there must be a better location in the city; Johnson City is inundated with medical facilities throughout. I know it is not a matter of an overnight resolution, but there simply has to be a better location that is situated near other related medical facilities and not embedded in a residential community.

Please, please put a halt to the progress of building this methadone clinic while other options are researched. Most residents/families in the immediate area of this current location knew <u>nothing</u> about it during the planning process; otherwise I'm sure you would have heard MUCH sincere and heartfelt opposition.

I'm sure you understand my concern for my family (and others with children) that will be directly and personally affected. My hope and plea is that you will take the necessary steps to stop this action before it goes any further.

Thank you, Elaine Ely

Sent from Mail for Windows 10

From: Melanie Hill

Sent: Monday, February 01, 2016 3:08 PM **To:** haywoodamanda1@gmail.com

Cc: Mark Farber; Mark Ausbrooks; Jim Christoffersen; Lowavia Eden

Subject: Re: Methadone Clinic

Thank you for your letter. I will share it with Agency members prior to the <u>February 24</u> meeting in which the application will be heard.

Melanie

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

www.tn.gov/hsda

Phone: <u>615-741-2364</u> Fax: <u>615-741-9884</u>

Sent from my iPad

On Jan 30, 2016, at 1:20 PM, "haywoodamandal@gmail.com" <haywoodamandal@gmail.com> wrote:

Ms. Hill,

I am writing to strongly oppose the building of a methadone addiction clinic at 413 Princeton Rd. in Johnson City, Tennessee. This clinic will be built in a residential area that is also home to both a day care center and Coalition for Kids, an after-school center for at-risk youth. It is unfathomable to me that a better location can't be sought. Johnson City is a medical community. Medical practice parks, treatment and surgery centers, and hospitals abound. Is it not practical to house such a treatment center in tandem with other related facilities? The Princeton location puts this facility in walking distance from the mentioned child care centers and two elementary schools. This is irresponsible. I can only imagine that more opposition hasn't come forth because the community has been kept in the dark about this project until recently. Please properly inform the residents of this community about crucial changes. We are not prepared to accept this change, and we won't. Please do not allow the building of this clinic in our residential and sensitive area.

Thank you, Amanda Haywood

Sent from my iPhone

From: Melanie Hill

Sent: Monday, February 01, 2016 3:05 PM

To: Alan Edwards

Cc: Jim Christoffersen; Mark Farber; Mark Ausbrooks; Lowavia Eden

Subject: Re: methadone clinic

Thank you for your letter. I will share it with Agency members prior to the <u>February 24</u> meeting in which the application will be heard.

Melanie

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

www.tn.gov/hsda

Phone: <u>615-741-2364</u> Fax: <u>615-741-9884</u>

Sent from my iPad

On Feb 1, 2016, at 11:27 AM, Alan Edwards akenascar@yahoo.com> wrote:

I have been a resident for 25 years at 2200 Nave Drive, in Johnson City, Tennessee 37601. I am strongly opposed to the proposition of a methadone clinic being established at 413 Princeton Road which is less than a 1/4 mile from my home, and even closer to other residents in this well and long established neighborhood. This is not the place for a methadone clinic!! There should be other more suitable locations such as Med-Tech Park, instead of this chosen location so near to this neighborhood, a church, and day care center.

From: Melanie Hill

Sent: Monday, February 01, 2016 3:10 PM

To: wmharold71@yahoo.com

Cc: Linda Jordan; Jim Christoffersen; Mark Farber; Mark Ausbrooks; Lowavia Eden

Subject: Re: Meth clinic opposed

Thank you for your letter. I will share it with Agency members prior to the <u>February 24</u> meeting in which the application will be heard.

Melanie

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

www.tn.gov/hsda

Phone: <u>615-741-2364</u> Fax: <u>615-741-9884</u>

Sent from my iPad

On Feb 1, 2016, at 12:43 PM, "wmharold71@yahoo.com" < wmharold71@yahoo.com wrote:

Mrs. Hill,

I oppose the meth clinic that is to be built at 413 Princeton Rd, JC, TN this spring.

Thank you,

Brandon Harold

God Bless,

Brandon

Subject:

FW: Methadone Clinic

From: Melanie Hill

Sent: Monday, February 01, 2016 9:28 PM

To: Jim Christoffersen; Mark Farber; Mark Ausbrooks; Lowavia Eden

Subject: Fwd: Methadone Clinic

Sent from my iPad

Begin forwarded message:

From: Melanie Hill < Melanie.Hill@tn.gov > Date: February 1, 2016 at 9:26:56 PM CST

To: "kathy greear@comcast.net" < kathy greear@comcast.net>

Cc: "GREEAR, RANDY" < randy greear@comcast.net>, "thegenuine@comcast.net" < thegenuine@comcast.net>, "jbanyas@johnsoncitytn.org" < jbanyas@johnsoncitytn.org>, "jbrock@johnsoncitytn.org" < jbrock@johnsoncitytn.org>, "dtomita@johnsoncitytn.org"

dtomita@johnsoncitytn.org, "stoutclay@aol.com" <stoutclay@aol.com

Subject: Re: Methadone Clinic

Mr. Greer,

Thank you for your letter. I will share it with Agency members prior to the February 24 meeting as well.

Sent from my iPad

On Feb 1, 2016, at 8:25 PM, "kathy greear@comcast.net" < kathy greear@comcast.net> wrote:

From: "kathy greear" < kathy greear@comcast.net > To: "RANDY GREEAR" < randy greear@comcast.net >

Sent: Monday, February 1, 2016 8:29:44 PM

Subject: Fwd: Methadone Clinic

From: "kathy greear" < kathy greear@comcast.net > To: "KATHY GREEAR" < kathy greear@comcast.net >

Sent: Monday, February 1, 2016 8:25:11 PM

Subject: Methadone Clinic

Dear Ms. Hill,

I understand you are the person to contact regarding opposition or approval for the Certificate of Need for the proposed Methadone Clinic, 413 Princeton Road in Johnson City, Tennessee. I appreciate you responding to my wife's concerns today. I would like to add my reasons against Crossroad Treatment Center.

I am writing to voice my strong opposition to this request.

I know those who want this facility will argue that our fears are unfounded.

Fear is fear, founded or not, and it affects people. We have 2 elderly blind neighbors that will not be able to defend themselves. Is the discriminating organization going to protect them in their own homes? Is the discriminating organization going to provide counseling for the neighbors that are in fear of living near a drug addiction treatment center?

I am asking you to take all of this into consideration before voting on the Certificate of Need for a Methadone Drug Addiction Center that has a known bad reputation of using unlicensed staff to counsel clients, and unsupervised by any physician on the property. They have been investigated for altering documentation of patient's charts. If Johnson City is so concerned for the local drug addiction clients, the best intentions would be to protect them from Crossroads Treatment Center as evidence from their track record including deaths.

Thank You,

Randy Greear @comcast.net

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

January 25, 2016

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency 502 Deaderick Street, Andrew Jackson Bldg, 9th Floor Nashville, TN 37243 (615)741-2364

Re: Crossroads Treatment Center CN1511-048

The Princeton Road area of Johnson City has, for many years, been the home of many professional Physicians' and Dental offices, North Side Hospital, Quillen Rehabilitation Hospital, and many additional commercial businesses. All of these medical offices have enjoyed a reputation of the highest level. Princeton Road is known among the people of the community to be an area where quality medical and dental care can be expected. Dr. Larry E. Denny, with a practice in Princeton Medical Center Building, 411 Princeton Rd. of Johnson City, TN, of twenty-six years has enjoyed a close working relationship with the hospitals, physicians, and dentists in this medical area. The following is a recap of the numerous detrimental effects the proposed Crossroads Treatment Center will pose on the medical and commercial businesses currently in the surrounding proposed area, including my Dental Practice, of twenty-six years.

The Princeton Medical Center's parking lot directly joins the Quillen Rehabilitation Hospital parking lot, Mountain States Medical Office Building's lot, and the proposed Crossroads Treatment Center, future methadone clinic, parking lot. Proposing the first area of concern of the medical and business community with the possible location of a Crossroads Treatment Center location site affecting the additional adjoining parking areas. The corporation known as Crossroads Treatment Center had to use deceptive and false statements in order to purchase the land on Princeton Rd., as referenced in the WJHL News Report, by Nate Morabito, January 4, 2016, "Our real estate representative negotiated in good faith with Calhoun Real Estate, L.L.C. for the sale of the property to Calhoun," the statement said. "Calhoun led our representative to believe that Calhoun intended to place a medical clinic there. At no time was it represented to Mountain States that Calhoun intended to place, or cause to be placed, a methadone addiction treatment facility on the property. Had Mountain States known of Calhoun's intention to facilitate the placement of a methadone addiction treatment facility on the property, Mountain States would have never entered into an agreement with Calhoun for the property. Calhoun has not yet consummated its purchase of the property."

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

The poor reputation and violations that have occurred in other states, and thus leading to a probable future of the same for Johnson City include;

North Carolina Department of Health and Human Services, copies of 2011 - 2014 deficiency reports for Crossroads' Weaverville, Asheville, and Greensboro clinics.-Among the hundreds of pages, penalties for "failure to protect patients from harm, abuse, neglect, or exploitation", failure to ensure state and national criminal record checks for employees within five days of hire, inadequate training, dosing errors, and failure to ensure client program compliance.

Crossroads Treatment Center of Northwest Georgia. The report, from November 2012, reveals 12 of 14 appointed substance abuse counselors were not certified or trained to provide addiction-counseling services. A state interview with the clinical director, documented in the same report, revealed, "I was not aware that you need certification in the state of Georgia. I thought a high school diploma was adequate. We hire our counselors and employ them as in training."

Statement of Deficiencies for Crossroads' Greensboro clinic, dated July 2013, discovered the facility failed to implement its discharge policy. The detailed report reveals this was much more than an oversight. Rather, an intentional cover-up of four patient-deaths that happened on Crossroads' watch.

Text messages from May 2013 between a counselor and associate program director, transcribed in the state report, reveal the counselor was concerned because: "I knew [the PD (program director) #1] was lying to us (about not having to report deaths), which he was...if he had done what he was legally obligated to do, this wouldn't be an issue... He's not protecting us by lying... [the PD #1's choices] have affected us all... You really thought it was a good idea (to lie to the State)? All of our careers are on the line... I answered {the State Opioid Treatment Authority's Coordinator (SOTA) truthfully when she interviewed me... I know right from wrong... Lying is wrong... You can't sit here and say what was going on here was ethical... I answered truthfully bc (because) it was the right thing to do... YOU put your career and license on the line when you lied when you and [the PD #1[were asked about this (client deaths) in the beginning..." According to the report, the associate program director replied: According to the report, the associate program director replied: "...you should have clue me in on the fact that you put my job and my license on the line... Supervisors lie all the time to protect their employees... That was a shitty selfish move on your part (to tell the State about deaths not being reported)... I don't know what you'll try to use against me if this goes to court... [the PD #I] has never lied to me... You may have gotten us shut down and I may not have a job... If you have a problem with your place of employment you quit... You threw us (the facility) under the bus..." An interview with another counselor, documented in the state report revealed: "I had to change the documentation to show that he was absent for 7 consecutive days so he could be shown as discharged and a death report would not have to be reported... It was unethical and wrong..." A state interview with the Corporate

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

Director of Clinical Practices, detailed in the same report, confirms Crossroads of Greensboro discharged four patients after they died. The causes of death are not mentioned in the report.

A letter from the North Carolina Department of Health and Human Services to Crossroads, dated August 2013, indicated the state issued a \$20,000 penalty for violation of the protection from harm, abuse, neglect, or exploitation, and an intent to revoke the Greensboro clinic's license. However that intent was later dropped, allowing the clinic to keep its license and work out a settlement with the state on the fines.

The statement by officials of Crossroads Treatment Center, Stated the physician at the center will only be present at the center four hours per week. Due to methadone treated patients having a probability of methadone related emergencies, the medical community will not have a sufficient working relationship with the Methadone Physician in order to treat these medical emergencies.

As the above are known violations as set forth by the state therein, the question remains as to how each violation was rectified and the clinic corrected the procedures going forward in order to prevent the situation from occurring in the future. It is known through great evidence the treatment planning is inadequate and is deficient in effectively using medically based best practices for treatment of patients, specifically those patients diagnosed with a substance abuse disorder.

"The Medical, Dental, and Commercial business in this area are not opposed to a comprehensive addiction treatment program, as currently being proposed by Mountain States Health Alliance Hospital and Wellmont Hospital," said by Dr. Larry E. Denny, DMD. The proposed Mountain States Health Alliance Hospital and Wellmont Hospitals' comprehensive addiction treatment program includes provisions for full time physicians as well as licensed professional counselors and clinical specialists on staff, trained for all emergency situations. The following are a few of the additional provisions set forth by the proposed plan of Mountain States Health Alliance and Wellmont Treatment Program:

On January 8, 2016, Johnson City Press, Press Release: "Mountain States Health Alliance and Wellmont pledged at least 450 million dollars over ten years to reduce drug addiction problems and add capacity for addiction recovery services."

On January 18, 2016, , Johnson City Press, Press Release: "Mountain States foundation announced a \$500,000 project to help create a specialized treatment unit in Johnson City's Niswonger Children's Hospital, For the care and needs of infants born addicted to drugs, due to addicted mothers. Known as Neonatal Abstinence Syndrome, This condition observed in hundreds of babies each year in the region, having withdrawal symptoms from mothers on narcotics [methadone is a narcotic]. This is the type of treatment our community promotes, Utilizing reputable treatment facilities and licensed professional personal."

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

In conclusion, it is clear our total opposition to the particular location and certification of the Crossroads Treatment Center in our medical community, due to not only the violations previously not remedied, but the deficiencies in the treatment program as displayed in previous facilities in our surrounding areas lead under the same false pretenses as the proposed Crossroads Treatment Center. We the medical and business society of this area hope the Health Services Developmental Agency will not issue a certificate of need to Crossroads Treatment Center, to be located on Princeton Rd., Johnson City, Tn.

Respectfully,

Dr. Larry E. Denny, DMD

Jany E. Clenny



Express Title Closing LLC

. . .

To:

Melanie Hill

Company:

TN Health Services and Development Agency

Fax number:

1 6157419884

Business phone:

From:

Daniel Torres

Fax number:

Business phone:

(423) 434-9200

Home phone:

Date _Time:

2/2/2016, 12:19:34 PM

Pages:

2

Re:

letter regarding clinic to be built in our area

Attached is my letter opposing the establishment of the Methodone Addiction Clinic in our area.

Daniel Torres

February 2, 2016

Melanie M. Hill

Executive Director

Tennessee Health Services and Development Agency

502 Deaderick Street, Andrew Jackson Bldg., 9th Floor

Nashville, TN 37243

Dear Ms. Hill,

I am writing as a concern citizen in regards to the addiction treatment center that is planned to be built at 413 Princeton Road, Johnson City, TN. I am very much against the construction of this facility in the designated area.

I work at an office almost directly in front of the proposed site. I also have a relative that lives close by that is afraid for what can happen. Establishing a clinic of this size in an area where there are family homes is a recipe for disaster. There will be increase in crime as people addicted to drugs will be looking for things to rob so that they can sell them and get money to buy their "fix".

In addition, due to the consequences of having a clinic like this in our area, property values will be affected since people will not want to live in an area where these problems are present.

I am very opposed to something like this and want this clinic to be placed elsewhere.

lappreciate your time and expect that you will make a decision based on what the community is best for itself.

Sincerely,

Daniel Torres

From:

Melanie Hill

Sent:

Tuesday, February 02, 2016 5:37 PM

To:

'Tammy Trivette'

Cc:

Jim Christoffersen; Mark Farber; Mark Ausbrooks; Lowavia Eden

Subject:

RE: Methadone clinic

Thank you for your letter. I will share it with Agency members prior to the February 24 Agency meeting in which this matter will be heard.

Sincerely,

Melanie

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

www.tn.gov/hsda

Phone: 615-741-2364 Fax: 615-741-9884

----Original Message-----

From: Tammy Trivette [mailto:tammytrivette@gmail.com]

Sent: Tuesday, February 02, 2016 7:38 AM

To: Melanie Hill

Subject: Methadone clinic

Dear Ms Hill,

I am writing to you to express my concern regarding the Crossroads Treatment Center that is planned for Johnson City. While this location on 413 Princeton Road is zoned for commercial uses, the other side of Princeton Road is a highly populated residential area. This area includes my home in the Princeton Gardens community.

I am deeply concerned about the addition of this treatment center. It will decrease the value of my home. I had this home built in 2009 and paid over \$300k for it. I am also worried about the traffic and increased potential for crime that it will bring to the area around my home. There must be other areas in Johnson City where this facility can be built such that it would not be so disruptive and damaging to neighboring residents.

Please consider my opposition as decisions are made regarding this center.

Regards,

TL Trivette 310 Princeton Gardens Johnson City, TN

From:

Melanie Hill

Sent:

Tuesday, February 02, 2016 5:34 PM

To:

'cbkwrk@aol.com'

Cc:

Jim Christoffersen; Mark Farber; Mark Ausbrooks; Lowavia Eden

Subject:

RE: Crossroads treatment center CH1511-048

Thank you for your letter. I will share it with Agency members prior to the February 24 Agency meeting in which this matter will be heard.

Sincerely,

Melanie

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

www.tn.gov/hsda Phone: 615-741-2364

Fax: 615-741-9884

From: cbkwrk@aol.com [mailto:cbkwrk@aol.com]
Sent: Tuesday, February 02, 2016 10:59 AM

To: Melanie Hill

Subject: Crossroads treatment center CH1511-048

*** This is an EXTERNAL email. Please exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email - STS-Security. ***

Dear Ms. Hill,

Please find the attached signed letter requesting that the certificate of need **NOT** be issued by the Tennessee Health Service and Development Agency, to Crossroads Treatment Center that is to be located on Prince Road in Johnson City, TN . If you required any additional information, pleases contact me. Thank you.

Carolyn B. Kerr 303 Quail Drive Johnson City, TN 37601 423-928-2767 home or 423-283-4734 work cbkwrk@aol.com

From: Melanie Hill

Sent: Tuesday, February 02, 2016 5:31 PM

To: 'Lee Ward'

Cc: Jim Christoffersen; Mark Farber; Mark Ausbrooks; Lowavia Eden

Subject: RE: Crossroads treatment center

Thank you for your letter. I will share it with Agency members prior to the February 24 Agency meeting in which this matter will be heard.

Sincerely,

Melanie

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

www.tn.gov/hsda

Phone: 615-741-2364 Fax: 615-741-9884

From: Lee Ward [mailto:leefountainward@gmail.com]

Sent: Tuesday, February 02, 2016 11:09 AM

To: Melanie Hill

Subject: Crossroads treatment center

As a concerned citizen living in a neighborhood that is in close proximity to the proposed crossroads treatment center I am voicing my opposition to this proposed center, there is a preschool program at Wesley Methodist Church within a block of the location and coalition for kids which serves grade 1 through 7 no more than two blocks away, plus children in neighborhoods close by this propose, we are in a position of this proposed location this center which treats individuals with drug addiction will lower the value of our homes, also we asked that they not receive a certificate of need.

Thank you, Lee Ward

Lowavia Eden

From:

Melanie Hill

Sent:

Tuesday, February 02, 2016 5:30 PM

To:

Jim Christoffersen; Mark Farber; Mark Ausbrooks; Lowavia Eden

Subject:

FW: Certificate of Need - Methadone Addiction Clinic - Johnson City, TN

From: Melanie Hill

Sent: Tuesday, February 02, 2016 5:28 PM

To: 'Margie James'

Subject: RE: Certificate of Need - Methadone Addiction Clinic - Johnson City, TN

Thank you for your letter. I will share it with Agency members prior to the February 24 Agency meeting in which this matter will be heard.

Sincerely,

Melanie

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

www.tn.gov/hsda

Phone: 615-741-2364 Fax: 615-741-9884

From: Margie James [mailto:prettypup13@gmail.com]

Sent: Tuesday, February 02, 2016 12:35 AM

To: Melanie Hill

Subject: Certificate of Need - Methodone Addiction Clinic - Johnson City, TN

CALVIN W. JAMES

GLENICE M. JAMES

2116 Kipping Street

Johnson City, TN 37601

Lowavia Eden

From:

Melanie Hill

Sent:

Tuesday, February 02, 2016 5:30 PM

To:

'cynthia.fox@mdlz.com'

Cc:

Jim Christoffersen; Lowavia Eden; Mark Farber; Mark Ausbrooks

Subject:

RE: Johnson City methadone clinic

Ms. Fox,

Thank you for your letter. I will share it with Agency members prior to the February 24 Agency meeting in which this matter will be heard.

Sincerely,

Melanie

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

www.tn.gov/hsda

Phone: 615-741-2364 Fax: 615-741-9884

From: cynthia.fox@mdlz.com [mailto:cynthia.fox@mdlz.com]

Sent: Tuesday, February 02, 2016 3:22 PM

To: Melanie Hill

Subject: Johnson City methadone clinic

I highly oppose the methadone clinic proposed for Princeton Road in Johnson City. Why can't this be built in our Med Tech Park? That is what Med Tech park was built for. The location on Princeton road is basically in a residential area. Another option would be to build it beside the police station.....I bet Crossroads Treatment center would leave the area if the police station was the only option!

Thank you, Cynthia Fox

Sent from my Verizon Wireless 4G LTE Tablet

Sincerely,

Calvin W. James, Jr.

Glenice M. James

PLEASE OPPOSE THE METHODONE ADDICTION CLINIC TO BE BUILT AT 413 PRINCETON ROAD

PLEASE write to the address below, and discourage the building of the Addiction Treatment Center -- Crossroads Treatment Center -- that is to be built at 413 Princeton Road (corner of Princeton Road and Wesley Street) in Johnson City this spring. The deadline for letters opposing this center is February 5, which is a week away. Afterward, it's a done deal. Similar facilities have been met with fierce opposition in the past, but no opposition has been voiced to-date. My belief is because we DID NOT KNOW.

An Addiction Center should be built in the medical community, NOT in a residential area - especially with a child day-care center across the street. Having a Methadone Clinic across from our neighborhood will cause crime will go up, especially theft. Our home values will decrease. A red light is in the process of being installed at Roadrunner Market, at the corner of Princeton and Oakland; as traffic on Princeton Road and Oakland Avenue will be heavy due to people coming to this addiction center from various cities and states.

I personally know a few people that have struggled with drug addiction. These people were good, decent, people; prior to becoming drug addicts. But when a person becomes addicted to drugs, nothing else matters but getting their next fix. In the past, the ones I know, used to drive to the clinic in Ashville a couple times a week to get their fix, and then would rob their friends/family/neighbors blind to buy even more drugs. This went on for years. One of them ended up being arrested, served time, and is now released. Another one is still in prison. Two more have in and out of prison repeatedly, for theft due to drug addiction.

The success rate of these centers is very low. As a result, drug addicts will be coming to our area in multitudes to get their "fix" a couple of times each week. I consider this to be a threat to my family and myself. As a result, I am going to take a "Conceal and Carry" Class, and buy a pistol - something I thought I'd never do. I do not want to live in fear.

A TREATMENT CENTER SUCH AS THIS SHOULD NOT BE ALLOWED IN A **RESIDENTIAL AREA**. It bothers me greatly, that residents were not notified that this was in the works. I feel each home in the neighborhood should have been sent a letter, informing us as to what was taking place. Please don't wait to write your letter. We only have a week, or it's a done deal.

Please write to:

Melanie M. Hill

Executive Director

Tennessee Health Services and Development Agency 502 Deaderick Street, Andrew Jackson Bldg., 9th Floor Jo! Melanie Hill.

J rella White 37601
2218 Lakeland Dr. g. C 37601
2008 the Methodone
Clinic

Nashville, TN 37243

Her Phone is: (615) 741-2364

Fax (615) 741-9884

Email: Melanie.Hill@tn.gov

Juda Jordan

Thank you,

Linda Jordan

2306 Nave Dr. Johnson City

(423) 202-3373

BOARD OF ZONING APPEALS

Vote clears local hurdle for addiction center plan

Treatment facility now must win state approval

By NATHAN BAKER Assistant News Editor __nbaker@johnsoncitypress.com 1 11.1

Members of Johnson City's Board of oning Appeals removed the final local irdle Thursday night for the building an addiction treatment facility, the

rst of its kind in the city.
With a 4-0 vote, the board granted a lecial exception to Crossroads Treatent Centers, allowing the company to illd a facility at 413 Princeton Road at will treat opioid-dependent individ-

See TREATMENT, Page 2A

Continued from 1A

individuals with methal done and other drug treat-requirements should not be ments, psychological counseling and social programs.

The board included conditional requirements in its approval first that Cross roads receive a certificate of need from the Tennessee Health Services and Develearthen berms be built along the sides of the prop-erty to discourage visitors from wandering onto neigh-boring land. The

"These types of facilities attract a lot of traffic. friends and family members waiting in cars while people receive treatment, and adjoining properties suffer," BZA member Jenny Lockmiller said. "I would like to see fencing, some sort of physical barrier to keep people from free-flowing between the two parking lots.

After conferring with the attending representatives from Crossroads, which said the proposal was agreeable, the board marked desired locations for fencing and 3-foot-tall landscaping berms on an overhead map of the prop-

Around the northern edges of the site, the farthest from Princeton Road where most of the 85 parking spaces are planned, the members drew fencing along the rear and halfway to the road frontage on the east and west sides. Along the remainder of the east and west edges, they placed berms with evergreen landscaping

Company representatives agreed to the placement of the barriers, and, though he said making the landscaping a condition of the special exception put

the board in "a bit of a gray area," Johnson City Attor-ney Erick Herrin said the a problem.

Consideration of Cross roads' application for a certificate of need by the state regulatory agency should take place on Feb. 24. If it is. approved, company representatives said construcopment Agency; and sec- tion could start as early as ond, that fencing and this spring and finish in the

spring of 2017.

Crossroads Treatment Centers now operates 12 treatment facilities in five states, including one in Asheville, North Carolina, but the company's repre-senting attorney, John King, said this would be the first in Tennessee. Four others are in stages of local and state approval processes and 22 see now." a verilla to the are in early development stages, King said.

Last year, the city changed the zoning regulations as they pertained to non-residential substance abuse treatment facilities. As recommended by the city planners, the commissioners removed provisions dictating distance requirements for the facilities from schools, day care facilities, parks and stores that sell alcohol. They also struck down the 7 a.m. to 8 p.m. mandated limits on their hours of operation.

Similar facilities have been met with fierce opposition from residents in the past when proposed, but no one spoke Thursday against the item on the BZA's) agenda. Curse we didn't Virth

Herrin underscored that the zoning board was not making a discretionary call as to whether treatment clinics should be allowed in

We do not license methadone clinics, doctors offices or Suboxone clinics," the attorney said. "Community concerns should be directed to the Health Services Agency, which will be evaluating the application for the certificate of need Even though we know there is community concern being expressed, it's a legal business, and in fact, there are 11 open in Tennes-

Follow Nathan Baker on Twitter at @jcpressbaker or on Facebook at facebook.com/jcpressbaker,

I wanted to hand-write this letter. I wanted you to see the permanship of a young mether taking the time out of her brusy day - joyonsly caring for my three young children to write to you I am doing so because I believe that writing this letter is caring for them. I am carrying out my responsibility to do all it can to protect them, the environment they call home, and what they are exposed to. I also feel a responsibility to protect the other children in this community, the ones who might not have someone writing for them.

That being said, il am so against the building of a methodone addiction clinic at 413 Princeton Rd. in Johnson City, TN. This is just a short walk from my home, and the path is often travelled on foot by me and my neighbors, walking our children in strollers. It is a short walk from their homes, too. This is a residential community. This is not the place for a treatment center such as this.

I don't have to tell you the details and statistics that you already know. I do need to express to you the personal concern that I feel and implore the Health Services and Development agency to reconsider allowing these plans.

ilf you don't already know, there is a day-care center and a center for at-risk youth steps forom where this addiction treatment center will be built. Why not make use of the many vacancies in current medical youks and buildings in the area? Why not ask that these centers be responsible in their planning and prohibit locations near children's ontreach programs? There are many options available. Please let us voice our concurs. Please consider them carefully. Please be deligent in requiring responsibility to prevent fear and damage to our Community.

Please do not allow the Irulding of the methodore addiction clinic at 413 Princeton Rd.

Thank you. Amanda Hayword

David A. Sibley, MD 1725 West Market Street Johnson City, TN 37604

Melanie M. Hill
Executive Director
Tennessee Health Services and Development Agency

RE: Certificate of need Methadone clinic run by Crossroads Treatment Center in Johnson City, TN CN1511-048

I am a member of the medical community in Johnson City, and have been a practicing physician since 1989. I would like to go on record as *opposing* the certificate of need for Crossroads Treatment Center to operate a methadone clinic in our community. I would also like to go on record as stating I do not treat patients for narcotic addiction and I have no financial conflict of interest.

The problem of narcotic addition is prevalent in the nation, Tennessee, and in the Tri-cities region of Tennessee. I have seen it in friends who practice medicine and in friends who are not in a medical field. Organized and readily available treatment including detoxification (generally in an inpatient environment) and afterwards through an outpatient medical practice while weaning a patient off narcotics is essential to accomplish the endpoint of breaking addiction. While some people rely on a 12 step program as the sole means of overcoming addiction after detoxification, I recognize that providing a pathway for an addict to break free from addiction often requires using substitute medications in a tapering manner through a carefully monitored medical practice environment. That environment must include regular drug testing <u>and</u> medical evaluation. The question to me is not if such treatment is needed in Johnson City, but rather who should provide this in the community.

I am concerned that Crossroads Treatment Center (CTC) is proposing to come into town and they have no integration into the medical community of the region nor an established relationship with the hospital/mental health facilities of this community. The purchase of the property from Mountain States Health Alliance (the major provider of healthcare in this area) was even done without releasing the type of clinic operation that was proposed for the location. As a consequence, if CTC sets up a clinic they will have no accountability to those of us who care for patients and are concerned for the overall health of each individual. Furthermore, the physicians of this community who deal with narcotic addiction, mostly through the use of Suboxone, have capacity to add patients and I am unaware after talking with several of them of any unmet need. While I do not claim to be an expert on the literature surrounding the relative benefits of methadone vs Suboxone, I did perform a literature search and reviewed selected articles over the last 15 years. I could not find compelling evidence that methadone has advantages over Suboxone, although there were personal opinions stated in both directions. To add capacity for addiction management in our area with a medication that is not superior to what is currently available seems counterproductive to me. The unintended consequence will be destabilizing the practices of physicians who offer addiction management within the construct of the established medical community.

Patients will be moved to an organization which is not accountable to the local medical community. It is not competition that I am afraid of, it is the loss of relationship between addiction management and the broader medical community. My understanding of how this clinic works is that a physician will not be on site at CTC regularly during each day the clinic is open. Most of the monitoring, administration of drug, and patient visits will be managed by mid-level providers. While telephone support is useful in a pinch, this model is unacceptable to me for a fragile and vulnerable patient population who need the expertise and physical presence of a physician at the time of the clinic visit. Problems with overdose, loss of compliance with the program exposed by drug testing, and medical urgencies related to withdrawal or other medical conditions need to be managed by an on-site physician presence- not just protocols, a phone, and EMS transport.

In summary, I stand against this application by Crossroads Treatment Center to provide a methadone clinic in Johnson City for the following reasons:

- I do not support the model of a stand-alone clinic delivering addiction management outside of established relationships with the local medical and hospital community.
- The model of delivering addiction management without regular and constant physician presence is a liability to a vulnerable and fragile patient population.
- I do not find support in the literature documenting that methadone is a needed or required adjunct to Suboxone for the effective management of narcotic addiction. Suboxone is readily available in Johnson City with capacity for treating more patients.
- Finally, I do not support an organization who hid their intentions when they purchased the
 property to be used for the clinic. They had opportunity at the time of purchase to develop
 relationship with the hospital system and physicians if they had been transparent and worked
 with the medical community. The radical independence of this organization from the local
 medical community is their most dangerous quality.

Thank you for giving me opportunity to input into this hearing. I am your servant in medicine,

David A Sibley, MD

Email: davidsibley57@aol.com Cell phone: 423-534-0870



508 Princeton Road, Suite 104 Johnson City, TN 37601 phone 423-283-0333 fax 423-283-0518

Denise Swink Sibley, MD, FACP

Melanie Hill
Executive Director
Tennessee Health Services and Development Agency

Re: Crossroads Treatment Center CN 1511-048

I have practiced primary care in Johnson City for 27 years and my practice has been located on Princeton Road for the last 14 years. I am writing to express my opposition to the proposed Crossroads Treatment Center/ methadone clinic which will be located adjacent to my office. I do not treat substance abuse patients nor do I have a financial conflict of interest in this proposed clinic.

My reasons for opposing this clinic:

- I am concerned about the safety of my patient population and the safety of my staff
 with regards to impaired drivers emanating from the proposed methadone clinic on
 Princeton Road. Methadone impairs a driver for a minimum of 1 hour after a dose is
 administered by the staff at such clinics, leading to a steady stream of impaired drivers
 exiting from the facility throughout the entire day. My population of patients consists of
 elderly drivers who already must traverse a four lane road without the aid of stop lights.
 The increase in traffic from such a large volume practice as CTC will also increase
 hazards for patients traveling to my office.
- There are adequate treatment facilities available in the community for addiction treatment which do not rely on an antiquated protocol which uses methadone, a pure agonist drug. Modern protocols for addiction treatment rely on the use of partial agonist/antagonist drugs, such as suboxone, which limit euphoria and thus seek to deter diversion.
- The CTC has acted with deception in trying to establish themselves in this medical community in the original purchase of the land from Mountain States Properties, not acknowledging their intent to place a methadone treatment clinic on the site.



508 Princeton Road, Suite 104 Johnson City, TN 37601 phone 423-283-0333 fax 423-283-0518

Denise Swink Sibley, MD, FACP

- Wellmont Health Systems has pledged support for comprehensive addiction treatment using community services directed by addiction specialists and support staff for the treatment of substance abuse in our region. As a physician in the community, I oppose the introduction of a corporation not invested in maintaining working relationships within the medical community.
- The corporation of CTC has a well-recognized history of infractions, violations, and deficiencies in the oversight of their treatment facilities in North Carolina and Georgia. They own 12 other facilities in addition to the proposed Johnson City location. I oppose a treatment facility which does not operate in a professional and lawful manner. The Asheville location boasts on their website "Our patients tell us that Crossroads feels like a 'real' doctor's office". I feel that substance abuse patients SHOULD be treated by a real doctor in a professional, integrated health system; it shouldn't "feel" like a doctor's office, it should BE a doctor's office with the presence of a doctor throughout the day.

Thank you for allowing me to voice my concerns in opposing this Crossroads Treatment Center on Princeton Road in Johnson City, Tennessee.

Sincerely,

Denise S. Sibley, MD, FACP

	Name	Address	Telephone
(Danny Stuffle	Rogersville TN 37857	423-963-1043
	2. Sta Since	Elusin Th	423-743-5329
	E. Leslie Miller	Johnson City Ja	423-262-7968
	4.	Dountuille to	423-323-4624
	5. Mast Crothe	Johnson City Times 153 Green Tee Rd	N 937 - 638 - 5000
	6. Branch Arney	Johson City IN	423-9467773
	7. Bobby Stater	Johnson Chy Tr	423-741-7254
	8. Wendy Sitty	333 Buena Vista Dr Blountyille TN	423-323-4624
	9. Doug Honnals	Johnson City 1/13/	601/423-620-3733
	10. Jon Melsin	gonew St JC	423-747-4303
	11. Many 2416	heter A Tohrang h	912 278-4490
	12. James Stefto	205 Blendan Je	423/943.5-727
	13. R. CKI Pense	123 Harkmankonal	20.423) 398-6950
	14. Joshua A. Tolliver	2410 Plyment Rd	3 930 0540
	15. Kevin Nelen	4	23-491-2626

Name	Address	Telephone
1. Prenee Adams	824 Jared Dr. Johnson	City 423-999-9397
2. Story Honeyart	183 Sugar Hollow Rd. Round	un TN 37687 (423) (009-9558
3. Gurth Wellinger	340H Henton Rel Elizabet	MAn (865)809-3148
4 fel Might	363 OReenfet Re	176 423-202-7224
5. Gary Nave	48 cherokee R. dge Ct	Johnson Cty TN 423-366-0922
6. Tim Pleasant	171 Wild Car Drive,	Big Stone Gap, VA 2 16-870-7287
7. Kathy Hawkins	PO, Box IIZ L'AcStone I	423-268-1165
75.00.55	424 Greenlee Rd. Ja	. 37601 43946 9795
9. Shannon Small	- Da SheffieldCrave	SC 3760 423 737959
		COAN NOW. 423-213-3233
		si In 423-946-0590
12 Beth Hoss 39	13 Greenwood Dr Joneshorou	15h TN 423-946-0889
	118 Cash Hollow DZ Jc	
F4. Timmy Lyons 39	28 Greenwood It Jonesbrough	TU 423-926-9550
15. Vernon Johnson 6	280 Lingsport Hay After	TU 423-329-4292

Name	Address	Telephone
Λ	1151 First St	
1. Hogela Lloyd	6ray 37415	423-477-0483
2. Marlita Morrell	210 Spring St. Blovert ville TN 376 318 Jam Jenkens Kg	17 423-323-8930
3. Deila Sadrege	es Stray TW 376/5	- 2. 2 320 01 0 5
4 asy Curtas	5 2935 Old Stage Coach Rd Jonesborough TH-37659	
5. SIDMARTIN	112 SID MARTIN RD. GRAY, TL. 37615	423-477-8077
6. JOSHMA TURNER	The state of the s	423-202-5840
2 Seleva Fugate	Gray IN 37615	HIONRY 423- 773-9655
8. Bianca benifi	The state of the s	N 137659 423-330-7786
9. Pauline Griff		615 423-915-1103
10. Sammy Fugo	te Gray IN37	station (423-773-7353
11. Earl Griffin	Gray IN 37615	423-557-0968
12 Lermy Benfie	eld Lonesbrouch	N 32N-77/06
13. ASkley Lloyd	1151 First St 161	5 423-477-6483
14. Glenda Hage	il Jonai St Villa	1 31659 423-773-5456
15. Doug Livyd	1151 First St	37615 423-477-0483
9)	

Name	<u>Address</u>	<u>Telephone</u>
Tenesia Berry	1813 Triangle Rd.	JC, TN 371004 (423)483-4027
		IN, 37604 (423)483-4027
		WE COMY TIVED 350-9298
Duky Segrest	416 New Bother Od.	Piney Hats IN 37486 (423 - 833-4954)
		· 6-19-10 37615 (423) 741-9023
6. Brooke Russell	256 Liberty Church Re	d, Gray TN 37615 (423) 646-9936
7 Douglas Jones 6	030 Rockingham Rol.	Gray, TN. 37615 423) 747-1150
8. Consie Castle 20	303 milinlay Rd. #7,	Johnson City, TN 37604(859)221-0362
9. Danell Ruscell 20	The Liberty Church Rd, 6	my TN 37615 (423)646-9937
10 Leigh-Anne Cunt	ice 9809 Emerald Bio	+ De. Charlette, NC 28218 (305)-616-
11. Nyvell Castle	214 Shadylant, Ch	wich HillaTN 37642(423) 357-6825
Control of the Contro	A STATE OF THE STA	JN 37650 (423) 863-3843
13. Howard Center	S 630 Rockingham	Rol Gray, Tr.
14. Jordan Jones	131 Lake meado	w Dr Gray Tyl. 423-767-8103
		2d. Gray TN 37615 (423) 35-1079
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Name	Address	Telephone
April Casaday	POBOX 305 Bluff City TN	423 ~ 773 - 1844
Dearre Herr	1112 Old Draws Rd Ma	e In 422-772-6323
3. Pluse Jon	131 lake Meadow DR.	Gray TN. 423-741-3459
4. Ruly Shelton 5. Kenneth W. Cl	10 Boy 882	ty, Th. 37605 423) 787-3599 chrson City 37601 423-943-4066
6. Morgan Jones	131 Lake Meadow Dr	Gray TN. 37615 423-741-1947
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Name	Address	Telephone
Sora Sipton	524 Chish Hollan Rd. IC	601 TN., 423-773-942
2. Jeffing w	524 Cash Hollow	1 423-773-9427
aldiel schioury ?	Ula avoid della No	865-585-7183
4. Britteny Silups	Jonesboragh Tn 37659	423.914.0534
5. Marcia Haler	Elizabetal	423-297-1821
6. Carm Andria		
7.Misty Henry	1406 Skyline Pr. J.C. TN 37604	423: 525.4057
& Shere Sluss	158 Woodland Circle Jorgo borough, DN 37659	
9. Calm Covert	Johnson City 3760	
10. Opar Can	Abinoplan VA 24211	276-608-7788
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Name	<u>Address</u>	1	'elephone	
1. Karen Iczzi	1115 F. Fairvies A	fue J.C	423-430-3690	
2. June Japlan	880 Tumb King (sk Rd Erwin	131-260	3
3. NANCY GARDNER	1512 Stoney bro	ok Dr Je	423-202-2	2/83
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Name	Address	Telephone
1. Jaughes Jones	2306 Princeton Lec	433-9235
2. Leanette Jun	en 2306 Princeton Lu	433-9235
3. Patsy Fleer	2306 Princeton Lu no 2306 Princeton Lu no 2310 Princetinose.	48283-018
4		
5		<u>.</u>
	<u></u>	
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14		
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From:

Melanie Hill

Sent:

Friday, February 05, 2016 9:15 AM

To:

'Misty Hughes'

Cc:

Jim Christoffersen; Mark Farber; Mark Ausbrooks; Lowavia Eden

Subject:

RE: Johnson City Methadone Clinic

Thank you for your letter. I will share it with Agency members prior to the February 24 Agency meeting in which the matter will be heard.

Melanie

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

www.tn.gov/hsda

Phone: 615-741-2364 Fax: 615-741-9884

----Original Message-----

From: Misty Hughes [mailto:mistyh63@gmail.com] Sent: Thursday, February 04, 2016 1:12 PM

To: Melanie Hill

Subject: Johnson City Methadone Clinic

Good afternoon. I am writing to you to express my extreme displeasure when I found out that Crossroads Treatment Center is attempting to out one of their methadone clinics on Princeton road in Johnson City, TN. I live very close to the proposed area & I believe that their are other locations in town that this type of clinic could be built. Such as our med tech corridor, it was designed for things of this nature. Plus the proposed location is within walking distance of lots of residential & a daycare. I want to make it known that I DO NOT WANT this establishment to be built in my neighborhood.

It was not disclosed what type of clinic they wanted to build when Crossroads purchased the property, nor would it have been sold to them if they were up front & honest about their intentions. I understand there is a pending lawsuit regarding the matter.

I appreciate your time in considering this & all letters you receive when moving forward with this decision.

~Misty Hughes Resident Johnson City

From: Melanie Hill

Sent: Friday, February 05, 2016 9:14 AM

To: 'lgau11364@gmail.com'

Cc: Jim Christoffersen; Mark Farber; Lowavia Eden; Mark Ausbrooks

Subject: RE: Letter of Support

Thank you for your letter. I will share it with Agency members prior to the February 24 Agency meeting in which the matter will be heard.

Melanie

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

www.tn.gov/hsda

Phone: 615-741-2364 Fax: 615-741-9884

From: Elizabeth Gaughan [mailto:lgau11364@gmail.com]

Sent: Thursday, February 04, 2016 10:12 PM

To: Melanie Hill

Subject: Letter of Support

*** This is an EXTERNAL email. Please exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email. - STS-Security***

- -Please consider all the lives that will be saved and the following points. According to the American Society of Addiction Medicine (ASAM), the Nation's leading group of addiction clinicians and researchers:
- Methadone maintenance treatment (MMT) is effective and safe and is an integral part of addiction treatment
- Methadone treatment of addiction is a crucial resource to decrease the spread of HIV and Hepatitis B and C infection.
- Decisions about the appropriate type, modality and duration of treatment should remain the purview of the treatment provider and the patient, working in collaboration to achieve shared treatment goals.
- Arbitrary limitations on the duration of treatment, medication dosage or on levels of care, that are not supported by medical evidence, are not appropriate can be specifically detrimental to the wellbeing of the patient and his/her community. Thus, such arbitrary treatment limitations should not be imposed by law, regulation, or health insurance practices.
- Traveling hundreds of miles for treatment places significant hardships on patients and their families. Many patients trapped in addiction cannot or will not make the trip, resulting in devastating consequences for the addicts, their families, and their communities.
- -MMT is the most common treatment for opioid addiction chosen by patients and their doctors. Buprenorphine, inpatient treatment, and abstinence-based treatment all have their place in the treatment arsenal. However, researchers

From: Melanie Hill

Sent: Friday, February 05, 2016 9:13 AM

To: 'traci'

Cc: Jim Christoffersen; Mark Farber; Lowavia Eden; Mark Ausbrooks

Subject: RE: Methodone clinic

Thank you for your letter. I will share it with Agency members prior to the February 24 Agency meeting in which the matter will be heard.

Melanie

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

www.tn.gov/hsda Phone: 615-741-2364 Fax: 615-741-9884

----Original Message-----

From: traci [mailto:skatingtraci@hotmail.com]
Sent: Friday, February 05, 2016 7:45 AM

To: Melanie Hill

Subject: Methodone clinic

My name is Traci honeycutt. I am a home owner at 2222 Kipping street in johnson city, tenn. I am emailing in my complete protest against the method one clinic wanting to be built at 413 Princeton rd. as a previous adolescent substance counselor I have MAJOR concerns about this type of facility coming this close to my private home and neighborhood. I am a single mother with two young children. Not only will this type of facility be a negative to the value of our residential neighborhood, but it proposes a fear and scare as a mother. I will take matters to protect myself and children and I will get a license to carry arms as protection. This type of facility has NO business being in this residential area where you have small children playing outside. I am more than aware of the type individuals that will be at this facility. I professionally know the dangers of this type facility being in a residential area. This Crossroads group have had numerous state violations. They only want to be in this area because rent is cheaper. This type facility needs to be in a location where it is not near a residential area with people paying high prices for our homes and where as a single professional mom I will be terrified to allow my children to go outside to play! I am a TAX PAYER and my rights matter and I am very angry about this trash coming near my HOME! I will continue to protest this type a business coming near my children and I! I will be following up on this issue!! Thank you for your assistance!

Traci S. Honeycutt 423-956-5055

Sent from my iPad

February 3, 2016

Melanie M. Hill Executive Director Tennessee Health Services and Development Agency 502 Deaderick Street, Andrew Jackson Building, 9th Floor Nashville, TN 37243 (615) 741-2364

Re: Crossroads Treatment Center

CN1511-048

Dear Ms. Hill,

I am the owner of a piece of commercial property on Princeton Road in Johnson City, TN. There are several Physician's and Dental offices, Northside Hospital, Quillen Rehabilitation Hospital and several professional commercial businesses who have been located in this area for many years. We all strive to conduct our businesses at the highest level possible to maintain a good reputation and to gain the respect of all their clients and neighbors in the Princeton Road Community.

Based on the following summaries of several questionable practices brought against Crossroads Treatment Center in other locations, we feel there will be detrimental effects posed on the commercial and medical businesses currently providing community services in the surrounding area.

The corporation known as Crossroads Treatment center found it necessary to use deceptive and false statements in order to acquire the property on Princeton Road, as references in WJHL News Report, by Nate Morabito, January 4, 2016., "Our real estate representative negotiated in good faith with Calhoun Real Estate, L.L.C. for the sale of property to Calhoun, the statement said. "Calhoun led our representative to believe that Calhoun intended to place a medical clinic there. At no time was it represented to Mountain States that Calhoun intended to place, or cause to be placed, a methadone addiction treatment facility on the property. Had Mountain States known of Calhoun's intention to facilitate the placement of a methadone addiction treatment facility on the property, Mountain States would have never entered into an agreement with Calhoun for the property. Calhoun has not yet consummated its purchase of the property."

The poor reputation and violations that have occurred at various other locations of this organization in surrounding states and leading to a probable future of the same violations in Johnson City include but are not limited to include:

A letter from the North Carolina Deportment of Health and Human Services to Crossroad, dated August 2013, indicated the state issued a \$20,000 penalty for violation of the protection from harm, abuse, neglect, or exploitation, and an intent to revoke the Greensboro clinic's license. However that intent was later dropped, allowing the clinic to keep its license and work out a settlement with the state on the fines.

The statement by officials of Crossroads Treatment Center, stated the physician will be at the center only four hours per week. Due to methadone treated patients have a probability of methadone related emergencies, the medical community will not have a sufficient working relationship with the methadone physician in order to treat these medical emergencies.

As the above are known violations as set forth by the state therein, the question remains as to how each violation was rectified and the clinic corrected the procedures going forward in order to prevent the situation from occurring in the future. It is known through great evidence the treatment planning is inadequate and is deficient in effectively using medically based best practices for treatment of patients specifically those patients diagnosed with a substance abuse disorder.

I concur with my fellow Medical, Dental and Commerical businesses in this area that we are not opposed to a comprehensive addiction treatment program, as currently being proposed by Mountain States Health Alliance Hospital and Wellmont Hospital. However, I am opposed to an organization who finds it necessary to be deceitful when purchasing property under an assumed name so as to hide their intent for said property. This would lead one to believe poor business practices are still occurring within the Crossroads organization. The proposed Mountain States Health Alliance Hospital and Wellmont Hospitals' comprehensive addition treatment program includes provisions for full time physicians as well as licensed professional counselors and clinical specialists on staff, trained for all emergency situations. The following are a few of the additional provisions set forth by the proposed plan of Mountain States Health Alliance and Wellmont Treatment Program:

On January 8, 2016, Johnson City Press, Press Release: "Mountain States Health Alliance and Wellmont pledged at least 450 million dollars over ten years top reduce drug addiction problems and add capacity for addiction recovery services."

On January 18, 2016, Johnson City Press, Press Release: "Mountain States foundation announced a \$500,000 project to help create a specialized treatment unit in Johnson City's Niswonger Children's Hospital, for the care and needs of infants born addicted to drugs, due to addicted mothers. Known as Neonatal Abstinence Syndrome, this condition observed in hundreds of babies each year in the region, having withdrawal symptoms from mothers on narcotics (methadone is a narcotic). This is the type of treatment our community promotes, utilizing reputable treatment facilities and licensed professional personnel.

February 2, 2016

Melanie M. Hill Executive Director Tennessee Health Services and Development Agency 502 Deaderick Street, Andrew Jackson Building, 9th Floor Nashville, TN 37234

Dear Melanie Hill,

As a nurse with many years of ER experience, I have strong concerns about the upcoming location of the Crossroads Treatment Center being built at 413 Princeton Road in Johnson City. This treatment center would be going up close to residential areas, a daycare, bus stop and offices with after hour meetings.

Many times I have remained in our office alone after hours and leave while it's dark due to the long hours we put in at work. We also have volunteers come to our office for meetings all times of the day. Due to the nature of the type of clinic there is a concern that it could from time to time attract those that could be conducting types of activities that are not safe or feel safe for our volunteers or staff.

While many of those that attend this clinic may not be an issue there will be some that are. I have had an office previously in which a probation office moved in next to. We ended up having to remove the office from that location. Certain individuals that should not be driving would be and park around the corner or be conducting activities in the parking lot that they should not, and would also bring individuals with them that were not conducting themselves in appropriate ways. You will have some of those same issues with this location.

This type of facility should definitely not be next to a residential or day care facility. Please, seriously consider the impact on lives of those in the area when making your final decision on allowing this location to be approved. The safety of those in our area are in your hands.

Thank you,

Elise Allen RN

From:

Melanie Hill

Sent:

Friday, February 05, 2016 9:17 AM

To:

'Norman Davis'

Cc:

Jim Christoffersen: Mark Farber: Mark Ausbrooks: Lowavia Eden

Subject:

RE: Letter of Opposition to Crossroads Treatment Center @ 413 Princeton Road

Thank you for your letter. I will share it with Agency members prior to the February 24 Agency meeting in which the matter will be heard.

Melanie

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

www.tn.gov/hsda

Phone: 615-741-2364 Fax: 615-741-9884

From: Norman Davis [mailto:tubox4lyfe@yahoo.com]
Sent: Wednesday, February 03, 2016 10:41 AM

To: Melanie Hill

Subject: Fw: Letter of Opposition to Crossroads Treatment Center @ 413 Princeton Road

*** This is an EXTERNAL email. Please exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email - STS-Security. ***

Please reference Certified Mail Receipt #7015 0640 0007 1577 7368

Ms. Hill,

The referenced item is presently inbound to your office. An oversight occurred in that 3 of 4 pages were inadvertently omitted. The attached document in its entirety has been forwarded to you for appropriate disposition. It can be added to the referenced item upon delivery.

Dr. Larry Denny's letter is attached to this message. It embodies my concerns in this regard and there is nothing further I can add to the factual details presented for examination. I request that it be entered accordingly into any discussion relevant to the proposal pertaining to the building at 413 Princeton Road.

As a reminder, I emailed a letter to you on February 1, that conveyed an emotional appeal on this matter. I have been informed such correspondence is not taken into account in matters of this nature but nonetheless, I request that it be entered into record along with the letter submitted herein.

I stand in opposition to the proposal to open a Methadone Clinic at 413 Princeton Road.

Thank you.

Very kind regards,

Norman Davis, Jr.

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

In conclusion, it is clear our total opposition to the particular location and certification of the Crossroads Treatment Center in our medical community, due to not only the violations previously not remedied, but the deficiencies in the treatment program as displayed in previous facilities in our surrounding areas lead under the same false pretenses as the proposed Crossroads Treatment Center. We the medical and business society of this area hope the Health Services Developmental Agency will not issue a certificate of need to Crossroads Treatment Center, to be located on Princeton Rd., Johnson City, Tn.

Respectfully,

Dr. Larry E. Denny, DMD

Jany E. Clenny

Randy Green 1 agree with the
centent of this letter

1 oppose this facility.

2317 nave. Drive

Melanie M. Hill, Executive Director Tennessee Health Services and Devlopment Agency 502 Deaderick Street, Andrew Jackson Bldg, 9th Floor Nashville, TN 37243 (615) 741-2364

Dear Ms. Hill,

I sent you a letter a few weeks ago to express my opposition to the possibility of a methadone clinic opening on Princeton Road in Johnson City, TN. I do recognize a need for drug addiction services, and I am therefore not opposed to the existence of such a business in Johnson City. The concerns I have about Crossroads Treatment Center are the proposed location and - much more substantially – the incompetent, unethical, dishonest, unscroupulous, unprofessional and even illegal ways that these people have practiced in the past at their multiple locations.

Since I last wrote you, one of my colleagues down the street, Dr. Larry Denny, shared with me some of the more detailed information that he found upon researching Crossroads Treatment Center. There is no need to go into all of that here, as I am aware that he has written some very serious issues pertaining to this company and included them in his letter to you. I would only ask you to deny Crossroads Treatment Center a permit to open a clinic in Johnson City because the people who operate the business will be a serious threat to the life, health and well-being of people who otherwise need competent services. Again, I am not opposed to a comprehensive addiction treatment program. I am opposed to a busness that has a history of harming people.

Please do not allow this to happen in Johson City, TN. Thank you for your time and consideration.

Sincerely

Scott Carruthers

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

In conclusion, it is clear our total opposition to the particular location and certification of the Crossroads Treatment Center in our medical community, due to not only the violations previously not remedied, but the deficiencies in the treatment program as displayed in previous facilities in our surrounding areas lead under the same false pretenses as the proposed Crossroads Treatment Center. We the medical and business society of this area hope the Health Services Developmental Agency will not issue a certificate of need to Crossroads Treatment Center, to be located on Princeton Rd., Johnson City, Tn.

Respectfully,

Jany E. Clenny

Dr. Larry E. Denny, DMD

1, William H. Horn	, hope a Certif	icate of Need will <u>NO</u>	T be issued by
Signed Name			182
the Tennessee Health Services and Devel	opment Agency; to	Crossroads Treatmen	t Center that
is to be located on Princeton Road in John	nson City, Tennesse	e.	

William H. HORN

Printed Name

423-282-6982

Telephone Number

21/0 BARTLETIST. J.C. TN. 37601

Address

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

In conclusion, it is clear our total opposition to the particular location and certification of the Crossroads Treatment Center in our medical community, due to not only the violations previously not remedied, but the deficiencies in the treatment program as displayed in previous facilities in our surrounding areas lead under the same false pretenses as the proposed Crossroads Treatment Center. We the medical and business society of this area hope the Health Services Developmental Agency will not issue a certificate of need to Crossroads Treatment Center, to be located on Princeton Rd., Johnson City, Tn.

Respectfully,

Tany E. Clenny

Dr. Larry E. Denny, DMD

hope a Certificate of Need will NOT be issued by Signed Name

the Tennessee Health Services and Development Agency, to Crossroads Treatment Center that is to be located on Princeton Road in Johnson City, Tennessee.

Lee Ward DONALD J. WARD Lee ward Printed Name 423-926-1053 423-926-1053

2223 Kipping St. 2223 Kipping St.

Address

TOKNSON City, TN. 37601 Johnson City, In- 37601

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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Dr. Larry E. Denny, DMD

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Signed Name			Đ

the Tennessee Health Services and Development Agency, to Crossroads Treatment Center that is to be located on Princeton Road in Johnson City, Tennessee.

Printed Name

423-268-0360

Telephone Number

2108 Bartlett St JC, TN Address 37601

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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the Tennessee Health Services and Development Agency, to Crossroads Treatment Center that is to be located on Princeton Road in Johnson City, Tennessee. please don't from hurt many in order to

help a for few.

THLEEN MANN

423-282-138

Telephone Number

209 Brown Que

Johnson City TN, 37601

Lam- a Home Owner at this address

since 1985 (oct.)

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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Respectfully,

Telephone Number

any E. Clenny

Dr. Larry E. Denn	y, DMD	in a second second second second			5
DAVID	Q. Andrews	, hope a	Certificate of	Need will NO	T be issued by
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Printed Name		(C	9)
423-7	247-1136	8 8		Town	

3 Kingsley Ciecle, Johnson City, TN, 37601

Larry E. Denny, D.M.D. Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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the Tennessee Health Services and Development Agency, to Crossroads Treatment Center that is to be located on Princeton Road in Johnson City, Tennessee.

CIVCE & PEARLESTED
Printed Name

1123-926-2442 Telephone Number

2:03 KIPPING 5t.

Johnson Ity TN. 37601

Melanie M. Hill

Executive Director

Tennessee Health Services and Development Agency

502 Deaderick Street, Andrew Jackson Bldg.., 9th Floor

Nashville, TN 37243

January 4, 2016

Mrs. Hill,

I am writing in response to the proposed Crossroads Treatment Center to be located at 413 Princeton Road Johnson City, Tennessee.

I work on Princeton Road and I don't think this is a good location for the Addiction Treatment Center. This is next door to a daycare and a residential area. I feel that it would be more suited for a medial area such as Med Tech Park. This would be an area with other health care professionals and not children and families nearby.

I am not opposed of a treatment center but think this is not an appropriate location.

Sincerely,

Karen Harville

Kaunstarulle

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency 502 Deaderick Street, Andrew Jackson Bldg, 9th Floor Nashville, TN 37243 (615) 741-2364 Heather Perry 316 Princeton Road Johnson City, TN 37601

Dear Melanie,

As the wife of a business owner on Princeton Road, and as an employee of the same business, I would like to express my sincere opinion on an issue that has recently arisen.

It seems that a businessman named Mr. Kester is seeking to open a methadone clinic just about a block down the street from us. As it turns out, he and his previous businesses of this type have had a very troubled past. Not just one, but multiple methadone clinics owned and operated by him have come under fire for gross negligence and incompetence. As a protector of public interests, this ought to be of great concern to you.

On a more personal note, I can tell you that my husband and I have worked very hard for many years to develop our business into the positive, successful healing center that is has become. Many of our patients are senior citizens who are likely to be intimidated and afraid of the types of people who go to a methadone clinic, i.e. drug addicts. We also have patients who are young, impressionable children whose parents will not want to expose them to the language and behavior of drug addicts. If this clinic is opened, then we are likely to lose a substantial amout of our patients who will simply go elsewhere so as to avoid exposure to such people. That's not being snobbish; it's just reality.

I ask you to <u>please</u> not approve the establishment of this methadone clinic. My husband and I have worked way too hard for way too long to see our business deteriorate as a result of a new neighbors' obnoxious, inappropriate and often unlawful clients/patients.

To be fair, I fully recognize that drug addicts need help. I do not oppose a treatment center, such as a methadone clinic, opening in our city in order to help these people. In fact, I would encourage it. I would only ask that it be established in some more discreet location, such as an industrial park, where other businesses will not suffer because of it.

Sincerely,

Heather Perry

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

In conclusion, it is clear our total opposition to the particular location and certification of the Crossroads Treatment Center in our medical community, due to not only the violations previously not remedied, but the deficiencies in the treatment program as displayed in previous facilities in our surrounding areas lead under the same false pretenses as the proposed Crossroads Treatment Center. We the medical and business society of this area hope the Health Services Developmental Agency will not issue a certificate of need to Crossroads Treatment Center, to be located on Princeton Rd., Johnson City, Tn.

Respectfully, y E. Clen Dr. Larry E. Denny, DMD hope a Certificate of Need will NOT be issued by the Tennessee Health Services and Development Agency, to Crossroads Treatment Center that is to be located on Princeton Road in Johnson City, Tennessee. M ZimmermAN, SANdra ZimmerMAN Printed Name 2106 Kipping St.
Address
Johnson City, TN 37601

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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Respectfully,

Jany E. Clenny

Dr. Larry E. Denny, DMD

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Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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Respectfully,

D. L. D. D. D. D. D.

Jany E. Clenny

Dr. Larry E. Denny, DMD

I am opposed to the Methadone Clinic being located in bhoson City, Tw. I agree with the Statements above.

Word Javent-Mcamey
1484 milligan Hwy
Art # 22
Johnson City, Tw 37601

423-202-1773

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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Respectfully,

Jany E. Henry

Dr. Larry E. Denny, DMD

I, hope a Certificate of Need will NOT be issued by Signed Name

the Tennessee Health Services and Development Agency, to Crossroads Treatment Center that is to be located on Princeton Road in Johnson City, Tennessee.

Printed Name

423-854-5040

Telephone Number

14 Taylor Ridge Ct John Sortety Th

I shint it would be a disaster. if a Clinic spened up in this

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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Respectfully,

Jany E. Clerry

Dr. Larry E. Denny, DMD

and strongly objects to this carent location.

for the clinic I feel that the

Mod-Tech corridor would be a beller

location.

Janet Country.

Johnson Price

Johnson tof TW

423-434-5260

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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Respectfully,

Jany E. Clenny

Dr. Larry E. Denny, DMD

Fam in agreement outs this letter. Ketce Due 2/2/11/2 3450 Street Dr. Johnson City TN 37604 (423) 943-9179

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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Respectfully,

Jany E. Clenny

Dr. Larry E. Denny, DMD

KEB 1 2016 WE DO NOT NEED A METH CUNIC ENTHIS LOCATION - NOT EVEN IN JOHNSON CITY- PERIOD! I AM TOTALLY OFFICED OPPOSED TO THIS FACILITY, PRINCETON IS NOT THE PLACE FOR @ SUCH A CLINIC. - IT WOULD BE PCACED IN AN AREA THAT CHLOREN FREQUENT - THE DAYCARE, THE COACITION FOR KIDS, THE CHILDRENS ORTHOPEDIC DR. JOHNSON CITY IS NOT THE PLACE FOR. A META CLINIC.

BARON DRIVE BOHNSON CITY

G.S. COURTNEY , G. & Country

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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Tany E. Clenny Dr. Larry E. Denny, DMD

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Vone Ha Lewis

Printed Name

1980 Hichael DR JC 37604

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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Jany E. Slenny

Dr. Larry E. Denny, DMD

Brant	Orren	, hope a Certificate of Need will NOT	be issued by
	Signed Name		X-

the Tennessee Health Services and Development Agency, to Crossroads Treatment Center that is to be located on Princeton Road in Johnson City, Tennessee.

Brant Orren
Printed Name

433 - 854 - 5132
Telephone Number

2555 Plymouth Road - Johnson City, TN 37601 Address

I am in agreement with the contents of this letter. I do not agree with a methadoxe clinic being placed in our community.

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

In conclusion, it is clear our total opposition to the particular location and certification of the Crossroads Treatment Center in our medical community, due to not only the violations previously not remedied, but the deficiencies in the treatment program as displayed in previous facilities in our surrounding areas lead under the same false pretenses as the proposed Crossroads Treatment Center. We the medical and business society of this area hope the Health Services Developmental Agency will not issue a certificate of need to Crossroads Treatment Center, to be located on Princeton Rd., Johnson City, Tn.

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Jany E. Henry

Dr. Larry E. Denny, DMD

Signed Name, hope a Certificate of Need will <u>NOT</u> be issued by

the Tennessee Health Services and Development Agency, to Crossroads Treatment Center that is to be located on Princeton Road in Johnson City, Tennessee.

Printed Name

423-963-1520

Telephone Number

Address Johnson City, TN

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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Jany E. Clenny

Dr. Larry E. Denny, DMD

nope a Certificate of Need will NOT be issued by Signed Name

the Tennessee Health Services and Development Agency, to Crossroads Treatment Center that is to be located on Princeton Road in Johnson City, Tennessee.

423-361-2609

155 Lakeview Lane, Johnson City, TN 37615

Address

I have a child at a preschool in close proximity to this proposed location for a drug treatment center. Therefore I do not feel this is a safe location for this development with prior businesses already established in

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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Respectfully,

Jany E. Denny

Dr. Larry E. Denny, DMD

, PAMELA WINTERS	, hope a Certifica	te of Need will NC	T be issued by
Signed Name			

the Tennessee Health Services and Development Agency, to Crossroads Treatment Center that is to be located on Princeton Road in Johnson City, Tennessee.

Printed Name

423.794.8634

Telephone Number

4 ALLISON CT, GRAY IN 37615

Address

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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Respectfully,

Jany E. Clenny

Dr. Larry E. Denny, DMD

I, <u>Robert Bradley FoA</u>, hope a Certificate of Need will <u>NOT</u> be issued by Signed Name

the Tennesses Health Soniced and Development Assessed Treatment Center that

the Tennessee Health Services and Development Agency, to Crossroads Treatment Center that is to be located on Princeton Road in Johnson City, Tennessee.

Printed Name

(423) 928-9026
Telephone Number

Address

My name is Robert Bradley, I am blind and my sister is writing my
My name is Robert Bradley, I am blind and my sister is writing my
My name is Robert Bradley, I am blind and my sister is writing my
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Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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Printed Name

Telephone Number

168 Brethren Ch

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Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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Respectfully,

Jany E. Clenny

Dr. Larry E. Denny, DMD

I agree with Dr. Denny's statements and do not want to see Crossroads usued a certificate for a treatment center on Princeton Road.

Datey Mr. Dtringer



Dr. David K. Perry Third Generation Chiropractic Physician

Tennessee License Since 1983 #399

South Carolina License #2666

California License #31847

Member
American Chiropractic
Association

Tennessee Chiropractic
Association
Since 1983

Tennessee's Oldest Chiropractic Family Since 1923

Johnson City Chiropractic Clinic, P.C. 206 Princeton Road, Suite 14 Johnson City, TN 37601

> (423) 283-4055 (423) 283-4044

Fax (423) 283-4200

Administrative Office (423) 283-4905

chiro206@hotmail.com

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency 502 Deaderick Street, Andrew Jackson Bldg, 9th Floor Nashville, TN 37243 (615) 741-2364

Dear Ms. Hill,

I am a proud business owner on Princeton Road in Johnson City. My family and I have worked diligently over the past 30 years to develop a good reputation in our community. Our successful chiropractic practice is more to us than just the way we make a living. It is a place of peace, healing and comfort to the many patients who we have the proviledge of serving. We want to keep it that way, for us and for our patients.

Likewise, there are many other business on Princeton Road with a long history of success and a highly desirable reputation. There are restaurants, a vet clinic, dentist, car dealership, medical offices, investment brokers, real estate professionals, landscaping supplies and many others.

Like many of my neighbors, I am greatly disturbed by the possibility of a methadone clinic opening on Princeton Road. I am not opposed to a drug addiction treatment facility. I just do not wish to have one on Princeton Road because it will most certainly be accompanied by drug deals, drug dealers, vandalism, theft and violence. If our community needs a methadone clinic, then that is fine – just find a location on the out skirts of town where reputable honest busniesses will not be adversely affected by it.

Respectfully,

David K. Perry, D.C.

dkp/alg

January 30, 2016 Melanie M. Hill Executive Director Tennesser Health Services and Development agency Coac Ms. Kies: I am writing to you to plead hat to approve but to appase the Methodone addiction Clinic to be built at 413 Princeton Road, Johnson City, TN. 37401. I was born and france in Johnson City. I live in the neighborhood access from Previetos Rd. I Know first hand about drug addiction, because my Children and other family makers have been given drugg by our local mediae Doctars or received them while in Hegh School? My son had a adduction since High School. He went to a local Pain clinic due to back pain. He did at age not knowing of you are a mother of KNOW you are educated and have

Page 2 Shipley

> Leeleng to Huror how much pain I went through and still do. I gained Weight and how have Some Heart issues, still working full time in Management at a lixal Bank for 27 years I am 58 yrs old and getting Close to betweent. We have a great deal of retired neighbors. Evely one walks their dogs, Chiedon ride their bikes and Others gest lugar walking. I Know Dist Rand that deeps are evil. I know about the Center in ashvelle Inpat seve how much the Center heep. It is just a ligal hay to get the drugs and we do not the Methodore. My family monker hutto his Mother daily as she worris about him taking the drug and drivers to astoniele. He Currently has no desue to get of the suboxone He is Weak land the treatment Plan is only a money maker.

People should go into treatment Centers, My ex husband has todeal with this Ore terribes if not use Carrelly. We need to Start education our Cheldren larly in life. I really liked the adveitising that was but out about Smoking Mast drugs users smoke and drenk. I thenk the real issue is money. Over Cities, do-they really care about the People or do they goust want to make Money #8. I lash pleading to you to make them more this Joed to the County away from Dehoals and neighborhoods This will only draw more Drug dealers and Drug addiction. Wed have a Real problem in Elizabethtox, IN also. I really need to Blane the (our medical Doctors they started alot of this in the 11990's. They wanted to Make Movey \$8. I do not like That local people are driving to South Carolin like my SON Or Now

Dog 3 Shipley not locate to Princetoned. We have beggers at our red lights lie about what they need et for. If the Clinic is Thereded which feel it is, this is the wrong type of treatment. My & husband Hold me they do Not work. The person jest mones to another break or like my SON they end their life. I am prayery that this letter touches your heart and that you know this is a Wrong dicesum to allow them In this area. More them out to the County and make them have a dreight theat next Clinic with funds to heep them not just make \$ Challer on the people that have no were to go but these Love and prayers that you ! will make the Right Mone ! Some where also To

Dapprecate (pur tine in reading my heart feet letter. Sincerely, Debru P. Dhysee, 1596 Idlewelde W. Johnson City, TN37601 123-794 8898

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

In conclusion, it is clear our total opposition to the particular location and certification of the Crossroads Treatment Center in our medical community, due to not only the violations previously not remedied, but the deficiencies in the treatment program as displayed in previous facilities in our surrounding areas lead under the same false pretenses as the proposed Crossroads Treatment Center. We the medical and business society of this area hope the Health Services Developmental Agency will not issue a certificate of need to Crossroads Treatment Center, to be located on Princeton Rd., Johnson City, Tn.

Respectfully,

Tany E. Clenny

Dr. Larry E. Denny, DMD

una Mimacher hope a Certificate of Need will NOT be issued by Signed Name

the Tennessee Health Services and Development Agency, to Crossroads Treatment Center that is to be located on Princeton Road in Johnson City, Tennessee.

ranna McMackin

423 - 767 - 9500 Telephone Number

Address Johnson City, TN 37601

Larry E. Denny, D.M.D.
Princeton Medical Center
411 Princeton Road, Suite 100
Johnson City, Tennessee 37601
Phone 423-282-6613

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Jany E. Clenny

Dr. Larry E. Denny, DMD

1, Jely Shipley	hope a Certific	cate of Need will <u>N</u>	OT be issued by
Signed Name			
the Tennessee Health Services and Deve	lopment Agency, to (Crossroads Treatme	ent Center that
is to be located on Princeton Road in Joh	nnson City, Tennessee	2 2	

Debra P. Shipley

Printed Name

423 7948898

Telephone Number

1594 Sellewilde Dr.

Address

Johnson City TN 37601

Marc A. Aiken, M.D. Mark T. McQuain, M.D. Robert J. DeTroye, M.D. Joseph D. Grant, M.D. Richard W. Duncan, M.D. Todd A. Fowler, M.D.



Karen J. McRae, M.D. Gregory L. Stewart, M.D. Timothy D. Jenkins, M.D. J. Michael Wells, M.D. Eric D. Parks, M.D. Kent J. Lord, M.D.

2410 Susannah Street JOHNSON CITY, TENNESSEE 37601 Telephone (423) 282-9011 Fax (423) 282-0035 117 West Sevier Street, Suite 200 KINGSPORT, TENNESSEE 37660 Telephone (423) 245-5540 Fax (423) 282-9572

Melanie M. Hill Executive Director Tennessee Health Services and Development Agency 502 Deaderick, Andrew Jackson Bldg, 9th Floor Nashville, TN 37243

Re: Crossroads Treatment Center CN 1511-048

February 3, 2016

Dear Ms. Hill,

This letter serves as opposition for the proposed Certificate of Need for Crossroads Treatment Center. As part of the medical community in the Tri-Cities, Watauga Orthopaedics wants to express our concerns for this center.

The Princeton road area has been the home of many professional offices for several years, including physician offices, dental offices, North Side Hospital and Quillen Rehabilitation Hospital. All of these offices have a reputation at the highest level. Princeton road is known in the Tri-Cities as an area where high quality medical and dental care can be attained.

Upon investigation, we have discovered areas of past violations and questionable medical practices by Crossroads Treatment Center. Specifics of these practices have been outlined by one of our colleagues, Larry Denny, DMD. His letter fully describes the concerns.

The medical, dental and commercial businesses in the area are not opposed to a comprehensive addiction treatment program as currently being proposed by Wellmont Health System and Mountain States Health Alliance. However, we are in total opposition to the particular location and the questionable practices of Crossroads Treatment Center.

Please feel free to contact me if you have any questions.

Sincerely,

Marc A. Aiken, MD

President

Watauga Orthopaedics, PLC

On January 18, 2016, Johnson City Press, Press Release: "Mountain States foundation announced a \$500,000 project to help create a specialized treatment unit in Johnson City's Niswonger Children's Hospital, for the care and needs of infants born addicted to drugs, due to addicted mothers. Known as Neonatal Abstinence Syndrome, this condition observed in hundreds of babies each year in the region, having withdrawal symptoms from mothers on narcotics (methadone is a narcotic). This is the type of treatment our community promotes, utilizing reputable treatment facilities and licensed professional personnel.

Our total opposition to the particular location and certification of the Crossroads Treatment Center in our medical and professional community is clear, due to not only the violations previously not remedied, but the deficiencies in the treatment program in previous facilities in our surrounding areas under the <u>same</u> leadership with the <u>same</u> false pretenses as the proposed Crossroads Treatment Center. We the medical and business community respectfully request the Health Services Developmental Agency not issue a certificate of need to Crossroads Treatment Center to be located on Princeton Road, Johnson City, Tn.

Sincerely, Shelia Laudermelk

Shelia Loudermilk Princeton Prep Inc. Reply Reply All Forward

RE: Crossroads Treatment Center

Melanie Hill

To: 'Kay White' [kwhite5048@embargmail.com]

Cc: Jim Christoffersen; Mark Farber; Mark Ausbrooks; Lowavia Eden

Friday, February 05, 2016 12:07 PM

Thank you for your letter. I will share it with Agency members prior to the February 24 Agency meeting in which the matter will be heard.

Melanie

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

www.tn.gov/hsda

Phone: 615-741-2364 Fax: 615-741-9884

From: Kay White [mailto:kwhite5048@embarqmail.com]

Sent: Wednesday, February 03, 2016 11:34 AM

To: Melanie Hill

Cc: Roberthoulk@JohnsonCityPress.com **Subject:** Crossroads Treatment Center

Dear Ms. Hill:

I own a commercial warehouse across the street from the proposed location for the "Crossroads Treatment Center" and I am opposed to any factuality going on that property that would devalue my property.

I have spent a lot of money on this property and I am not trying to lease or sell this property. I feel that the location of any facility which proposes to administer medication to those who are addicts as a result of their poor choices will prohibit my selling this property. Most of those who are being "treated" at these type "Pill Mills" are unproductive to society and a threat to the lives of the innocent people who travel this highly traveled road in the city of Johnson City.

Officially - I AM 100% AGAINST A "CERTIFICATE OF NEED" OR ANY OTHER ALLOWANCE BY THE STATE OF TENNESSEE FOR ANY ADDICTION TREATMENT

February 5, 2016

Tennessee Health Services & Development Agency (HSDA) 502 Deaderick Street
Andrew Jackson Bldg., 9th Floor
Nashville, TN 37243

ATTN: Melanie M. Hill,

This letter is in support of Crossroads Treatment Center. I strongly believe that this organization is a huge benefit to the community and given the opportunity can expand the services they provide to reach a greater demographic of individuals in need of Medication-Assisted Treatment.

A few facts to consider, according to the American Society of Addiction Medicine (ASAM), the Nation's leading group of addiction clinicians and researchers:

- Methadone maintenance treatment (MMT) is effective and safe and is an integral part of addiction treatment
- Methadone treatment of addiction is a crucial resource to decrease the spread of HIV and Hepatitis B and C infection.
- Decisions about the appropriate type, modality and duration of treatment should remain the purview of the treatment provider and the patient, working in collaboration to achieve shared treatment goals.
- Arbitrary limitations on the duration of treatment, medication dosage or on levels of care, that are not supported by medical evidence, are not appropriate can be specifically detrimental to the wellbeing of the patient and his/her community. Thus, such arbitrary treatment limitations should not be imposed by law, regulation, or health insurance practices.

It is my recommendation that Crossroads Treatment Center be granted a certificate of need in the state of Tennessee.

Sincerely,

Christina Juarez
Program Director
MedMark Treatment Center - Savannah

To whom it may concern,

I am writing to express the need for a crosspoads treatment center in Johnson City. I feel strongly that there is a great need for such a place in Johnson City. I think it would help alot of people out in the area. There happens to suboxone clinics all over the area, something around 90 or so submone clinics alone and they seem to be about the money they can make. For us who are serious about treatment and not rich we have to drive somewhere in North Carolina and Risk our jobs and not have enough sleep because a day has just 24 hours in it. A crosstreat center in the tri cities would eut down on drug pelated crime and may just put appropries out of the need for day dealers at NO Need. I want to express a very strong need for a crossroads treatment center. Thank you for your time.

J.R. JuliAN

To Whom It May Concern,

I feel there should be a Methadone Treatment Center in Johnson City because it would be more convenient for people who are really trying to get their lives back. I pursonally work 12 hr shifts. I get off work at 9pm. Therefore I don't get much sleep because I have to drive an hour both ways. I'm usually at the clinic at 3-4 Am so I can be first in line so I can get back home in time to get ready for work. If there were a treatment center in Johnson City, more people would be able to work. Also it would more likely put the drug dealers in the area out of buisness. More people would seek treatment if it was closer to home. I truly believe it would be better to have a center in the area. Please consider our request. Thank you for your time.

Jessica Julian



February 3, 2016

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency 502 Deadrick Street, Andrew Jackson Building, 9th Floor Nashville TN 37243

Email: Melanie.hill@tn.gov

Re: Crossroads Treatment Center - CN1511-048

Dear Ms. Hill:

This letter is written to register the opposition of East Tennessee State University to the Certificate of Need (CON) applied for by the Crossroads Treatment Center. There are three reasons for this opposition. First, representatives from Crossroads have misrepresented the position of the university's support for their work. Second, the for-profit business model for methadone maintenance therapy is widely known to be consistent with highly variable quality of care, and there is significant disincentive to taper clients, even after a long period of time. The regular dosing of the product can, in itself, become the goal, rather than full recovery of the individual. Third and finally, non-profit options for methadone maintenance are more supportive of health and consistent with the vision that our university has for regional initiatives for treatment and prevention of opioid use disorder.

Crossroads Treatment Center misrepresented the position of the university by putting forward a letter indicating interest from a departmental chair in exploring internship opportunities as evidence of the full support of the university. This was not accidental. It is important to recognize that the university and its community partners host a large, open interprofessional monthly gathering of colleagues that are working together to combat prescription drug misuse and its outcomes. The group includes stakeholders from diverse community healthcare partners such as medically assisted treatment centers, Frontier Health, Mountain States Health Alliance, pain management professionals, primary care physicians, coalitions, and many others. They have met monthly and publicly since 2012. Information about the group, known as the Prescription Drug Abuse Working Group, is publicly available and has been so available on the university website for more than two years (http://www.etsu.edu/cph/pdam/default.php). Mr. Kester spoke by phone with Dr. Robert Pack, the chair of the working group, several years ago and indicated knowledge about his and the group's activities. There are numerous, other well-known stakeholders in this field at the university. Engaging with this group of experts would have been an ideal first step in inquiring about the university's interest in supporting the clinic. Stating that the interest in potential internship opportunities by one department indicates that the university as a whole supports the mission of this proposed clinic is misrepresentation.

Melanie M. Hill February 3, 2016 Page 2 of 2

There has been a rapid expansion of for-profit methadone clinics in the United States, at which the quality of care is widely acknowledged to be highly variable. In fact, the profitability and risk of poor care was highlighted in a lengthy 2014 Bloomberg Business article about the largest methadone provider in the United States, CRC Health, which was, at the time, owned by Bain Capital (http://www.bloomberg.com/news/articles/2013-02-08/drug-users-turn-death-dealers-as-methadone-from-bain-hits-street). This article highlights the expansion of the industry in response to the opiate addiction epidemic, the incentives to keep patients on the same dosing, and the negative outcomes from over-prescribing and dispensing methadone that was often diverted. For-profit methadone clinics have no incentives for patients to taper off of their treatment and cost more than public programs. The patient population in our region is highly marginalized and, as a whole, does not have a lot of resources. They would be best served by a non-profit approach that reinvests public and private payer resources into expanded access to wrap around services such as psychotherapy, counseling, job-skills training, social work, and family therapy.

The incentives for a non-profit clinic are to get people connected to treatment resources and then wean them off. This is consistent with our vision for the interprofessional care for addiction that should be taking place in our region. As the region's only Academic Health Science Center, the private, for-profit practice model is wholly inconsistent with our vision to help change the culture and consequences of opiate addiction that have plagued our region for far too long. To do that, we must prioritize actions that facilitate care that is highly professional, inter-disciplinary, and patient, not shareholder, focused. Our efforts should be benchmarked on the best evidence and held to a standard that is ever increasing in quality.

Based on the practices of representatives of the clinic, the business model of the for-profit methadone industry and the lack of fit into our regional culture of partnerships with the healthcare industry, we submit this letter in opposition to the Certificate of Need for Crossroads Treatment Center.

Sincerely.

Brian Noland President

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

In conclusion, it is clear our total opposition to the particular location and certification of the Crossroads Treatment Center in our medical community, due to not only the violations previously not remedied, but the deficiencies in the treatment program as displayed in previous facilities in our surrounding areas lead under the same false pretenses as the proposed Crossroads Treatment Center. We the medical and business society of this area hope the Health Services Developmental Agency will not issue a certificate of need to Crossroads Treatment Center, to be located on Princeton Rd., Johnson City, Tn.

Respectfully,

Jany E. Clenny

Dr. Larry E. Denny, DMD

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for crossroads treatment

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for crossroads treatment

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Alter Hace

Mason Eg.M.

Larry E. Denny, D.M.D. Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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Respectfully,

Jany E. Clenny

2300 Nave Dr. Tohnson City, TN 37601

Dr. Larry E. Denny, DMD

I completely agree with this
letter. Please do not give Crossroads
Addiction Center a Certificate of Need.
We have disabled people, children, and
elderly people in this neighborhood that
are out side a lot, and will not
feel safe,
Sincerely,

Mannfron
(423) 943-3059

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

In conclusion, it is clear our total opposition to the particular location and certification of the Crossroads Treatment Center in our medical community, due to not only the violations previously not remedied, but the deficiencies in the treatment program as displayed in previous facilities in our surrounding areas lead under the same false pretenses as the proposed Crossroads Treatment Center. We the medical and business society of this area hope the Health Services Developmental Agency will not issue a certificate of need to Crossroads Treatment Center, to be located on Princeton Rd., Johnson City, Tn.

Respectfully,

Dr. Larry E. Denny, DMD

Jany E. Clenny

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- Please don't issue a contificate of

423-610-0222

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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Respectfully,

Dr. Larry E. Denny, DMD

Agreed.
Please do not issue a certificate of needs to

CrossRoads, Jerese K. Pol 610-0222 ext. 205

Jany E. Clenny

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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Respectfully,

Dr. Larry E. Denny, DMD

Jany E. Clenny

Plase do not sign a Certificate of Need for Crossroads Treatment Center. For Chassroads Treatment Center. Panula Campbell 423-433-7429

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

In conclusion, it is clear our total opposition to the particular location and certification of the Crossroads Treatment Center in our medical community, due to not only the violations previously not remedied, but the deficiencies in the treatment program as displayed in previous facilities in our surrounding areas lead under the same false pretenses as the proposed Crossroads Treatment Center. We the medical and business society of this area hope the Health Services Developmental Agency will not issue a certificate of need to Crossroads Treatment Center, to be located on Princeton Rd., Johnson City, Tn.

Respectfully,

Jany E. Clenny

Dr. Larry E. Denny, DMD

Signed Name hope a Certificate of Need will NOT be issued by

the Tennessee Health Services and Development Agency, to Crossroads Treatment Center that is to be located on Princeton Road in Johnson City, Tennessee.

Linda Buchanan Printed Name

423-282-2265

Telephone Number

203 Brown Ave Johnson City, In. 3760/

Princeton Medical Center 411 Princeton Road, Suite 100

Johnson City, Tennessee 37601 Phone 423-282-6613

In conclusion, it is clear our total opposition to the particular location and certification of the Crossroads Treatment Center in our medical community, due to not only the violations previously not remedied, but the deficiencies in the treatment program as displayed in previous facilities in our surrounding areas lead under the same false pretenses as the proposed Crossroads Treatment Center. We the medical and business society of this area hope the Health Services Developmental Agency will not issue a certificate of need to Crossroads Treatment Center, to be located on Princeton Rd., Johnson City, Tn.

Respectfully,

Jany E. Clenny

Dr. Larry E. Denny, DMD

hope a Certificate of Need will <u>NOT</u> be issued by signed Name

the Tennessee Health Services and Development Agency, to Crossroads Treatment Center that is to be located on Princeton Road in Johnson City, Tennessee.

Charity Campbell
Printed Name

423.930.04

Telephone Number

204 Brown Ave.

Address

Januson City, TN 37601

Larry E. Denny, D.M.D. Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601

Phone 423-282-6613

In conclusion, it is clear our total opposition to the particular location and certification of the Crossroads Treatment Center in our medical community, due to not only the violations previously not remedied, but the deficiencies in the treatment program as displayed in previous facilities in our surrounding areas lead under the same false pretenses as the proposed Crossroads Treatment Center. We the medical and business society of this area hope the Health Services Developmental Agency will not issue a certificate of need to Crossroads Treatment Center, to be located on Princeton Rd., Johnson City, Tn.

Respectfully,

Jany E. Clenny

Dr. Larry E. Denny, DMD

a Certificate of need for Crossrooks.

Chies. & Ren. Jefferson

(423) 929-3623

Johnson City, JW 37601

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

In conclusion, it is clear our total opposition to the particular location and certification of the Crossroads Treatment Center in our medical community, due to not only the violations previously not remedied, but the deficiencies in the treatment program as displayed in previous facilities in our surrounding areas lead under the same false pretenses as the proposed Crossroads Treatment Center. We the medical and business society of this area hope the Health Services Developmental Agency will not issue a certificate of need to Crossroads Treatment Center, to be located on Princeton Rd., Johnson City, Tn.

Respectfully,

Jany E. Clenny

Dr. Larry E. Denny, DMD

Please do not issue a Certificate to Crossroads. I agree with this Teffer. Robin Draine

423-358-8381

Jeida L. Buchasas 203 Brown Qua. Johnson City Jo. 37601

Melanie M. Hiss Executive Director Vennessee Health Services & Douelogment Concy 502 Dechrick St. Cindrew Jackson Blog. Dellar Nashwille In 37243 (615) 741-2364 Re: Crossroals Trestoness Center CN1511-048

an addiction Center should be built in a medical community, not in a resident of area, especially not with a child day care center across the road There is a wailable adjacent to the downtown Clinic Westerday Houset and the medical center list so residentif property. Our neighborhable are filled with many retired circlinates are filled with many retired circlinates are seed and other single common as needs as young families with children with children to be seen deserve to line in thank you
February 2, 2016

Tennessee Health Service and Development Services Agency Attention: Ms. Melanie M. Hill, Executive Director 9th Floor, Andrew Jackson Building 502 Deaderick Street Nashville, Tennessee 37243

Ms. Hill,

I am writing to you concerning the application for the Crossroads Treatment Center which is planning to construct a methadone treatment facility on Princeton Road in Johnson City. My concern is the impact on neighborhoods that are located directly across from the proposed site for this facility. The neighborhoods affected are mostly single family homes which are occupied by a range of various age groups and family sizes.

My wife and I moved to Kipping Street in September 1988 and raised our two children. We moved again in August 2014 to a single level home on Idlewilde which was only one street over from Kipping Street. We chose to stay in the neighborhood because it has been a good and safe place to live. We see our neighbors out walking together and children playing when the weather permits.

The proposed methadone treatment facility will affect us by increasing the amount of traffic that will flow through our neighborhood. Non-residents often take a route between Mountcastle Drive and Princeton Road through our neighborhood by way of Kipping Street and Brown Street or Nave Street. Those non-residents who use this route have learned that they can avoid heavier traffic and traffic lights by driving through our neighborhood. Some of the patients traveling to the proposed facility for methadone treatments will probably discover this short-cut and will use it.

The concern over safety due to the increase of crime caused by the proposed methadone treatment facility, whether perceived or probable, will affect us. Even though there have been governmental studies on the crime rates in areas surrounding of a methadone treatment centers that have reported a positive conclusion, they should not be used to support the argument that this will make us safer. The location of a methadone treatment facility and its

Tammy Lowe 2811 E Oakland Ave, Apt 13 Johnson City, TN 37601

February 2, 2016

Melanie Hill Executive Director Tennessee Health Services and development Agency 502 Deaderick Street, Andrew Jackson Bldg., 9th Floor Nashville, TN 37243

RE: METHADONE CLINIC IN JOHNSON CITY, TN

Dear Melanie Hill:

I am writing to you to voice my strong opposition in allowing a methadone treatment center to locate at 413 Princeton Road in Johnson City, TN. Although I am not shocked that a treatment center has targeted Johnson City for a new facility, I am completely appalled that Princeton Road is being considered for the physical location.

Princeton Road is not just a business area. There is a wide range of properties including businesses, healthcare, and residential neighborhoods. The fact that there are residential properties and even a day care center located within view of the proposed location should convince everyone that this is a terrible plan and will be a detriment to north Johnson City.

I work across the street from the proposed location and I have just rented a townhouse .8 miles away. I am also considering buying a house in the immediate area, but not if this treatment center is approved at this location. I cannot and will not invest money in real estate anywhere near a methadone clinic. I will move once my lease expires and will not buy in this area. Home prices WILL suffer and crime WILL go up.

Princeton Road is already a very heavily traveled area and does not need droves of drug addicts pouring in to get their daily fix and then get in their cars and drive down our highways. The treatment center will not have any regulations that require their

patients to have someone drive them to and from the clinic. Crossroad treatment center already has a terrible reputation and has been fined many times.

I ask you with all the decency left in this world, please do not allow this treatment center to locate on Princeton Road. There MUST be more appropriate locations that would not be in the middle of a residential neighborhood and some very reputable businesses.

I could write many pages about the personal reasons I loathe methadone clinics as I have witnessed the thousands of social security dollars and wasted years of life my own family has spent being addicted to methadone. I have seen them lie, cheat, steal, and spend their last penny to get to the clinic for their daily dose...because they are ADDICTED TO METHADONE! These clinics thrive on MAKING AND KEEPING people addicted for money.

I will stop there because in the end they will locate somewhere. My opposition today is not the building of the treatment center, but the location. There is simply no excuse good enough to allow this to happen and if you have the power to stop it...PLEASE DO! I'll end with a quote from the January 21st edition of the Johnson City Press:

"These types of facilities attract a lot of traffic, friends and family members waiting in cars while people receive treatment, and adjoining properties suffer," BZA member Jenny Lockmiller said.

Thank you,

Tammy Lowe 423-957-0139

Day Lowe

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

In conclusion, it is clear our total opposition to the particular location and certification of the Crossroads Treatment Center in our medical community, due to not only the violations previously not remedied, but the deficiencies in the treatment program as displayed in previous facilities in our surrounding areas lead under the same false pretenses as the proposed Crossroads Treatment Center. We the medical and business society of this area hope the Health Services Developmental Agency will not issue a certificate of need to Crossroads Treatment Center, to be located on Princeton Rd., Johnson City, Tn.

Respectfully,

Jany E. Clenny

Dr. Larry E. Denny, DMD

hope a Certificate of Need will NOT be issued by Signed Name

the Tennessee Health Services and Development Agency, to Crossroads Treatment Center that is to be located on Princeton Road in Johnson City, Tennessee.

423-926-1436

Telephone Number

2212 Kipping St.

Address

Johnson City, TN 37401

1 Queensboro Circle Johnson City, TN 37601 February 3, 2016

Melanie M. Hill Executive Director TN Health Services & Development Agency 502 Deaderick St., Andrew Jackson Bldg., 9th Floor Nashville, TN 37243

RE: Crossroads Treatment Center

Dear Ms. Hill:

I am writing to discourage the building of the Addiction Treatment Center (Crossroads Treatment Center), at 413 Princeton Road in Johnson City, Tennessee. This is in very close proximity to a quiet residential area consisting of a mix of young families with children, as well as elderly persons. In addition, a kindergarten facility is directly across the street from the proposed treatment center.

Also, as a matter for consideration is the fact that the public already uses our neighborhood as a cut-thru from Princeton Road, to Nave Drive, to Kipping Street, to Mountcastle Drive. We are concerned that persons using the treatment center would also use this route, which would cause an additional burden of traffic through our quiet neighborhood.

In addition, I support Dr. Larry E. Denny's concerns as he has expressed in the attached letter.

I respectfully request that a Certificate of Need will NOT be issued to Crossroads Treatment Center.

Sincerely,

Linda Maddox 423-926-7854

Linda Maddoy

Attachment

Elizabeth F. Cannon, DDS Cannon Family Dental 508 Princeton Road Suite 303 Johnson City, Tennessee 37643

February 2, 2016

Melanie M. Hill Executive Director Tennessee Health Services and Development Agency 502 Deaderick Street, Andrew Jackson Building, 9th Floor Nashville, Tennessee 37243

Re:

Crossroads Treatment Center CN1511-048

Dear Ms. Hill:

This correspondence is to express our opposition to the location of a proposed Methadone Treatment Clinic on Princeton Road in Johnson City, Tennessee.

The medical, dental, and commercial businesses in this area are *Not* opposed to a Comprehensive Addiction Treatment Program for the Johnson City area, as is currently being proposed by Wellmont Health System and Mountain States Health Alliance. However, you can understand our total reservation and opposition to the approving the particular location and the certification of the Crossroads Methadone Clinic in our medical community on Princeton Road.

It is of concern that the local community was not contacted prior to the request for the clinic to be located at the proposed location. In fact, according to media reports the corporation known as Crossroads Treatment Center changed their name and falsified statements in order to purchase land in this area to build a Methadone clinic. The investigative report also revealed significant past violations and questionable medical practices and treatments by this corporation.

For many years, the Princeton Road corridor has been the home of many professional offices, including the Cecille Cox Quillen Rehabilitation Hospital, several physician and dental offices, North Side Hospital and emergency room facilities, many commercial offices, and residential properties. Also, a daycare center is located directly across from the proposed location.

All of these medical and offices have long standing reputations for providing the highest level of quality care. Princeton Road is known among the people of the community to be an area where quality medical and dental services are and have been attained. The introduction of the type of service provided by the Methadone Clinic will significantly impact the community perception of the area and the services provided.

We the Medical and Business people of this area hope The Health Services and Development Agency will not issue a certificate of need to Crossroads methadone Treatment Center. Please refer to enclosed letter.

Pochoctfully

Elizabeth F. Cannon, DDS

(423) 282-4004

Enclosure

Tennessee Health Services and Development Agency ATTN: Melanie M. Hill 502 Deaderick St Andrew Jackson Bldg. 9th Floor Nashville TN 37243

To Whom it May Concern:

I write today in strong support for the Crossroads Treatment Centers' application for a Certificate of Need to operate an outpatient medication-assisted opioid treatment program in Johnson City, Tennessee.

I won't bore you with statistics here, or facts about this evidence-based treatment for opioid addiction. Instead, please allow me to share a snippet of my personal recovery story, made possible as a direct result of medication assisted treatment.

I took my first opiate at age 14 when I shared a bottle of Tussionex cough syrup with a group of friends. That event began a 40 year addiction to opioids, ultimately ending in a 10-year heroin addiction when my legal source of prescribed painkillers disappeared. I was sentenced to prison in 1996 for a drug crime, where I found better heroin on the inside than I ever found on the streets. I discharged from prison in 1997 and with my life in shambles, my family torn apart, I was simply waiting to die. I continued using heroin and other opioids until 2000, when I entered a medication assisted treatment program and began methadone maintenance.

During my time in the treatment program, I completed a Bachelor's and a Master's degree, began a career in behavioral health and delivered direct services directly back to my community of Nashville TN as I worked for Park Center and Operation Stand Down Tennessee. In 2009, my work on the streets of Nashville and my recovery from heroin addiction began attracting national attention. I was hired fulltime in 2009 by the Center for Social Innovation (http://center4si.com/) and I began providing technical assistance and training to providers working with people with addiction histories, mental health challenges, trauma, homelessness, and criminal justice involvement.

In 2012, the Center for Social Innovation was awarded the BRSS TACS contract from SAMHSA and I was promoted to Deputy Project Director for the SAMHSA BRSS TACS (http://www.samhsa.gov/brss-tacs) contract. I have served in a leadership role on that contract for the past 4 years.

On February 13, 2014, I successfully completed a medically supervised detoxification from Methadone and left the Nashville MAT clinic.

On June 16, 2015, I married my partner of 16 years.

The summer of 2015 reunified me with two children I lost when I was sent to prison in the 90s. My youngest son has since moved in with us and is attending college in Nashville.

Today I serve as a Commissioner on the Nashville Metropolitan Homelessness Commission, am a member of the Executive Committee for the Commission, and serve as a member of the CABHI Grant (Bob Currie) statewide task force to end homelessness in Tennessee.

I also provide technical assistance and training nationally, and have recently completed an issue brief on the use of peer support in health homes.

None of my success would have been possible without a medication assisted treatment program. I stand as a testament that Recovery from opioids is possible, medication assisted treatment works, and ignoring the evidence that MAT is effective and valuable is costly to our communities, our families, and those suffering from the disease of opioid addiction.

I implore you, please approve Crossroads Treatment Centers' application for a Certificate of Need to operate an outpatient medication-assisted opioid treatment program in Johnson City, Tennessee.

You can read more about my story here:

http://www.facesandvoicesofrecovery.org/action/stories/steven-samra

and here: http://www.recoverymonth.gov/road-to-recovery/tv-series/august-2015-webcast-preventing-homelessness

and here: http://homeless.samhsa.gov/resource/steven-samra-finding-his-voice-in-recovery-46433.aspx

and here: https://www.nhchc.org/wp-content/uploads/2013/11/healinghandsfall2013.pdf

and here: http://us.thinkt3.com/blog/children-are-mirrors-viewpoints-from-a-parent-in-recovery

and here: http://invisiblepeople.tv/blog/2010/08/the-godfather-of-outreach-interview-with-steven-

samra/

Thank you for your time and consideration of my request.

Sincerely,

Steven K. Samra 100 Jonquil Way

Lebanon TN 37090

615.693.9302

ssamra@center4si.com

Tennessee Health Services & Development Agency (HSDA)

ATTN: Melanie M. Hill 502 Deaderick Street Andrew Jackson Bldg., 9th Floor Nashville, TN 37243

To Whom It May Concern:

I strongly support the Crossroads Treatment Centers' application for a Certificate of Need to operate an outpatient medication-assisted opioid treatment program in Johnson City, Tennessee. Let me share some truths and I hope you read this letter carefully.

I recently married a man who entered the Methadone Maintenance Program in Nashville, TN 16 years ago after spending more than 15 years addicted to heroin. Methadone maintenance treatment gave him the time to stop chasing drugs, time to grow mentally, and time to focus on finishing a bachelor's degree at the age of 42! He then received a Master's degree in Public Administration. He worked himself out of poverty through education and into a position allows him to give back to the community that saved him in the first place. My husband is a Deputy Project Director on SAMHSA's BRSS-TACS, a Commissioner on Nashville's Homelessness Commission, and helps organizations around the country that are serving our homeless people, and PEERS in Recovery from Mental Health and Addiction backgrounds, and criminal justice backgrounds.

Simply put, without methadone - Steven would be dead.

Here are some facts about MMT, and Methadone – please take a moment to actually read them.

- According to the American Society of Addiction Medicine (ASAM), the Nation's leading group of addiction clinicians and researchers:
- Methadone maintenance treatment (MMT) is effective and safe and is an integral part of addiction treatment
- Methadone treatment of addiction is a crucial resource to decrease the spread of HIV and Hepatitis B and C infection.
- Decisions about the appropriate type, modality and duration of treatment should remain the purview of the treatment provider and the patient, working in collaboration to achieve shared treatment goals.
- Arbitrary limitations on the duration of treatment, medication dosage or on levels of care, that are not supported by medical evidence, are not appropriate can be specifically detrimental to the wellbeing of the patient and his/her community. Thus, such arbitrary treatment limitations should not be imposed by law, regulation, or health insurance practices.
- Traveling hundreds of miles for treatment places significant hardships on patients and their families. Many patients trapped in addiction cannot or will not make the trip, resulting in devastating consequences for the addicts, their families, and their communities.
- -MMT is the most common treatment for opioid addiction chosen by patients and their doctors. Buprenorphine, in-patient treatment, and abstinence-based treatment all have their place in the treatment arsenal. However, researchers found that people who receive adequate amounts of methadone as part of their opioid addiction treatment successfully complete that treatment far

more often (74 percent of the time) than people who receive adequate amounts of buprenorphine/naloxone (46 percent of the time).

- Many Tennessee physicians support MMT but are concerned with the political ramifications of publically doing so.
- The Centers for Disease Control & Prevention (CDC) has declared Methadone Maintenance Treatment (MMT) is the "most effective treatment for opioid addiction."
- The National Institutes of Health (NIH), in their consensus panel statement titled *Effective Medical Treatment of Opiate Addiction* in 1997 deemed Methadone Maintenance Treatment (MMT) the timeless "gold standard treatment" for opiate addiction.
- Methadone Maintenance Treatment (MMT) is currently the accepted standard of care for Pregnant opioid addicted women. Pregnant Women in the Johnson City, TN area currently have to drive HOURS round trip, and often over dangerous mountain roads in early morning hours, to receive what is the recommended standard of care for their condition.

So now - let's make this happen in Johnson City! Please approve their application for a Certificate of Need.

Respectfully,

Dorothy Caruso

100 Jonquil Way

Lebanon, Tn 37090

615.693.9303

02/04/16

Melanie M. Hill
Executive Director - Tennessee Health Services and Development Agency
502 Deaderick ST
Andrew Jackson Building – 9th Floor
Nashville, TN 37243

Re: Crossroads Treatment Center CN1511-048

Dear Ms. Hill,

This correspondence is to serve as a voice in regards to my opposition to the proposed Crossroads Treatment Center at 413 Princeton RD in Johnson City, TN. My opinions have been formed as a result of my many years as a healthcare professional as well as personal life changing events.

I have been a nurse, both a registered nurse and a licensed practical nurse, for the past 15 years. For ten years, I practiced in the specialty area of Gastro/Hepatology. I dedicated five years of my career as a Liver Transplant and Hepatitis C coordinator for veterans. During that time, I provided and coordinated care for many patients who unknowingly traveled down the path of alcohol and drug abuse. While some continued to abuse, others sought out various forms of rehabilitation. It has been my experience, those who received treatment from clinics such as Crossroads had a much higher relapse rate than those who completed a comprehensive drug abuse treatment plans (in and out-patient).

As much as my professional experiences have swayed my stance on the subject, my personal experiences make a far greater case. I am blessed to be the mother to two children whose birth parents chose the drug abuse way of life. The birth mother has been treated by Crossroads Treatment Center in Asheville multiple times. Each time has proven unsuccessful and she is now incarcerated, once again, for drug related charges after supposedly receiving yet another round of treatment. The cycle continues. As a result, my son continues to recall vivid details of the life prior to his current environment of stability and love. In his short life, he has experienced abuse and neglect few adults can fathom. Thankfully, his sister has no recollection of the past. For this, I am adamant with my opposition.

In closing, my opinions in this matter are both personal and professional. I have seen time and time again the failures once promised to those individuals who seek treatment at opioid dependence treatment facilities such as Crossroads. I also oppose the proposed location. Childcare is provided within sight and close-knit residential neighborhoods are visible in every direction. I ask you to deny the Certificate of Need # CN1511-048. Please feel free to contact me at the number below if further discussion is applicable.

Respectfully,

Angela H. Ledford, MSN, RN

3125 S Roan ST

Johnson City, TN 37601

(423) 502-4959

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

In conclusion, it is clear our total opposition to the particular location and certification of the Crossroads Treatment Center in our medical community, due to not only the violations previously not remedied, but the deficiencies in the treatment program as displayed in previous facilities in our surrounding areas lead under the same false pretenses as the proposed Crossroads Treatment Center. We the medical and business society of this area hope the Health Services Developmental Agency will not issue a certificate of need to Crossroads Treatment Center, to be located on Princeton Rd., Johnson City, Tn.

Respectfully,

Jany E. Clenny

Agreel Glease do not issue a Certificate of Need for Crossroads Treatment

Center.

Brondon Hardd 423-557-7158

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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Respectfully,

Tany E. Clenny

Dr. Larry E. Denny, DMD

hope a Certificate of Need will NOT be issued by Signed Name

the Tennessee Health Services and Development Agency, to Crossroads Treatment Center that is to be located on Princeton Road in Johnson City, Tennessee.

423.502.14

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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any E. Clenny

Dr. Larry E. Denny, DMD

hope a Certificate of Need will NOT be issued by

Signed Name

the Tennessee Health Services and Development Agency, to Crossroads Treatment Center that is to be located on Princeton Road in Johnson City, Tennessee.

Telephone Number

Larry E. Denny, D.M.D.
Princeton Medical Center
411 Princeton Road, Suite 100

Johnson City, Tennessee 37601 Phone 423-282-6613

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Respectfully,

Jany E. Henry

Dr. Larry E. Denny, DMD

hope a Certificate of Need will <u>NOT</u> be issued by

the Tennessee Health Services and Development Agency, to Crossroads Treatment Center that is to be located on Princeton Road in Johnson City, Tennessee.

Glenice M. Sames Printed Name

423-747-4002

Telephone Number

2116 Kipping Street, Johnson City, TN 37601

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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Respectfully,

any E. Clen

Dr. Larry E. Denny, DMD

Signed Name

hope a Certificate of Need will NOT be issued by

the Tennessee Health Services and Development Agency, to Crossroads Treatment Center that is to be located on Princeton Road in Johnson City, Tennessee.

Address

Larry E. Denny, D.M.D.
Princeton Medical Center
411 Princeton Road, Suite 100
Johnson City, Tennessee 37601
Phone 423-282-6613

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Respectfully,

Jany E. Clenny

Dr. Larry E. Denny, DMD

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the Tennessee Health Services and Development Agency, to Crossroads Treatment Center that is to be located on Princeton Road in Johnson City, Tennessee.

Printed Name

423-747-6417

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Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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Respectfully,

Jany E. Clerry

Dr. Larry E. Denny, DMD

Dear Pennasce Health Services and Developmental Agency,

1 strongly oppose the construction and placement of
a methodone treatment facility on the corner of Princeton
and wesley streets in Johnson City, TN. As an owner
of a private residence less than a mile from this
location, I am outraged and very concerned that
location, I am outraged and very concerned that
this type of facility would be placed so close to a
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are linked to an increase in crime. After reading Dr. Denny's letter regarding the unethical way that facility, and its track record of violations in ninnag methdone clinics, it's clear that this company is not sening the public health needs of its clocks. Again, I would like to stress that I strongly oppose the construction and livensing of a methadone clinic in my community, especially due to my concerns for safety for my family, and the negative impact such a facility will have, on the businesses & residences in close proximity to 17. Please do not issue a Certificate of Need to Cossional Treatment Confers.

Sincerely,

Victoria 7. Tonak Victoria T. Tonak 3 Queens boro Cr. Johnson City, M 37601 (423) 943-7563





February 8, 2016

Melanie Hill
Tennessee Health Services and Development Agency
502 Deaderick Street
Andrew Jackson Bldg., 9th Floor
Nashville, TN 37243

Re: Crossroads Treatment Center, CN1511-048

Dear Ms. Hill:

This letter is submitted on behalf of Mountain States Health Alliance ("MSHA") in opposition to the project referenced above.

The proposed site for this project is on land owned by MSHA. The land is the subject of a purchase and sales agreement with Calhoun Real Estate, LLC, ("Calhoun") a limited liability company formed under Georgia law. Unknown to MSHA at the time the purchase and sales agreement was entered into, Calhoun is owned by Steve Kester. Mr. Kester is the principal owner of, Tri-Cities Holdings, LLC, a previously unsuccessful applicant for an opiod treatment center in Johnson City, which was opposed by MSHA. Mr. Kester also is a principal owner of Crossroads Holding, LLC, which is the parent of the management company involved in the Crossroads Treatment Center project.

As a result of this certificate of need application, MSHA learned that the purchase and sales agreement is the subject of a purported assignment from Calhoun to the Applicant, the identity of the parties, and the Applicant's intended use of the property. If MSHA had been made aware that the Calhoun is owned by Mr. Kester or that Calhoun intended to assign the contract to the Applicant for project described in the certificate of need application, MSHA would not have entered into the sales agreement. MSHA believes the Applicant was aware MSHA would be unwilling to sell the real estate to the Applicant, and the Applicant therefore deliberately disguised the true purchaser in order to achieve its objectives. In addition, MSHA believes the intended use of the land is contrary to restrictive covenants that are part of the purchase and sales agreement.

Based on the conduct of the Applicant and its affiliates and the terms of the purchase and sales agreement, it is MSHA's position that the proposed site is not the subject of a valid contract and the site cannot be used for the purpose described in the certificate of need application. In order to enforce its position, MSHA filed suit on February 9, 2016, in Chancery Court, Washington County, TN, seeking a declaratory judgment that the property cannot be used for the purposes intended by the Applicant and that the purchase agreement is otherwise unenforceable.

Based on the circumstances describe above, as well as other objections that have been raised by health care professionals in the community, MSHA respectfully urges the Agency to deny the application.

Very truly yours,

Allison Rogers

Vice-President of Strategic Planning

Polly A. Peterson 2203 Kipping Street Johnson City, TN 37601 (423) 929-0966 pyestar@netscape.net

Melanie M. Hill Executive Director Tennessee Health Services and Development Agency 502 Deaderick Street, Andrew Jackson Blvd., 9th Floor Nashville, TN 37243

Re:

Crossroads Treatment Center

CN1511-048

Sent via e-mail to Melanie.Hill@tn.gov and by U.S. Postal Service

Dear Ms. Hill,

As a homeowner in the adjoining neighborhood, I am submitting my comments on the Certificate of Need filed by Crossroads Treatment Center pursuant to T.C.A. § 68-11-1609(b), which states that a certificate of need shall not be granted unless the applicant can demonstrate a need for the services in this area, the economic feasibility of the project, and its contribution to the orderly development of health care in this region.

In order to substantiate need, the Applicant, Crossroads, has relied heavily on national and Tennessee statistics and methodologies, and the population figures of the defined service area, which includes Carter, Johnson, Unicoi, Washington, Sullivan, Greene, Hawkins and Hancock Counties. (p. 4, 9, 23) These population figures were used to specifically identify present needs and project future needs.

Upon review of these numbers, I found that **Hancock County**, which is part of the defined service area, was only used to show purported opioid data. (Chart, p. 10) All other charts and population figures utilized **Hamblen County**, which is not located in the defined service area. (See charts, p. 23, 24, 35, and 36) These two counties are vastly different. According to census.gov, the population of **Hancock County** is approximately **6,657**, while the population of **Hamblen County** is approximately **63,036**. This is a difference of **56,379** people.

As I see it, the Hamblen County population figures were used to determine service area populations, which, in turn, were used to determine the number of people needing service via a methadone clinic. The large difference between the two populations has to inflate or otherwise skew the figures showing need. (p. 25)

Further, the applicant relies heavily on two methods to show that between 8,800 and 21,500 adults are or will be addicted in this service area. The SAMHSA study purports to be a national study from which was extrapolated a 1.7% average figure for national non-medical pain medication use. This percentage was applied to the applicant's population figures (which are incorrect) to determine a number of dependent people in this service area. This appears to be an average of some findings or figures in a national study, but nothing in this application seems to substantiate why this percentage should be used in Northeast Tennessee.

The second method is a Tennessee study of individuals 12 and over reporting abuse of prescription opioids, which was applied to another study to show that 212,000 individuals over 18 "misused" prescription opioids. These figures were applied to the service area population, which is incorrect, to determine that there are 21,500 opioid abusers or dependents here. I could find no definition of "misuse". It could mean someone obtained drugs for a limited time or experimented with them, it does not necessarily mean that these people are addicted. The applicant specifically states that it will "provide medication assisted treatment for the rehabilitation of persons dependent on opioids..." (p. 4) It does not say it will assist people who "misuse" the drug.

Statistics can be used and manipulated to show many things, and here, with the differing numbers and methods, I am struggling to find something that concretely shows an actual need for a methodone clinic in Northeast Tennessee. This and the applicant's inability to distinguish between Hancock County and Hamblen County troubles me and also shows a profound lack of understanding and knowledge of this area, even though the applicant seems to be able to quantify numbers of addicted people

The applicant also has a geographical component on time, distance and money as part of the justification for need of this methadone clinic. However, their charts and statistics only focus on Johnson City, Kingsport and Bristol, which represent only two counties in their eight county service area. (p. 26) They do not disclose that people in the other six counties would probably not utilize a Johnson City treatment center because of time and distance and/or that another treatment facility would be closer.

Johnson County is approximately 1.5 hours from Johnson City because of mountainous two lane roads, but 30 minutes from a treatment center in Boone, NC. The mountainous part of Carter County would probably seek service in North Carolina, as they are 30-45 minutes from Johnson City. Unicoi County is about equidistance between Johnson City and Weaverville, NC. Hancock County is close to two hours from Johnson City, with better road access to Morristown and Knoxville. Most of Greene and Hawkins County are over 50 miles from Johnson City and would have better access to Knoxville. There is virtually no public transportation between cities, except for TennCare transportation and NetTrans, both of which would probably not transport to a methadone clinic.

Polly A. Peterson, Page 3 Crossroads Treatment Center

As the applicant notes, "the benefits of the MAT depend on geographic accessibility." (p. 27) The applicant also points out that "Travel distance is a recognized barrier to treatment with studies showing that treatment rates fall substantially as distances to commute increase beyond 25 miles." (p. 11) The application shows accessibility for Kingsport and Bristol to a facility in Johnson City, but much of the area of the other six counties remain outside that 25-mile limit. This seems to fail the requirement that the geographical service area be reasonable and based on a balance of population and service proximity. It's as if this Certificate of Need is just for Washington and Sullivan Counties, but includes the other six counties to inflate the statistics and numbers.

The applicant also points out that there are no methadone clinics in the area, ergo it must need one, as it believes the treatment it offers is superior to treatment offered in this area. I am an attorney, and am appointed as a Guardian ad Litem for children in dependency and neglect hearings. Often the babies are drug addicted or the children were removed because drugs inhibited their parents' abilities to care for them. In order to regain custody of their children, the parents have to address their drug issues, and have many choices here. In addition to the buprenorphine providers, there are comprehensive in-patient facilities and intensive outpatient programs. I have found that these parents are more apt to win their battles when they know and trust the people treating them, and have ready access to them. The goal for them is to be successful and not to substitute one addiction for another.

My interpretation of Crossroad's application is that a doctor will be available four hours a week, not a lot of time to establish the familiarity and trust a person needs to improve. Also the schedule shows dosing from 5 a.m. until 10 a.m. on Monday through Friday, with counseling scheduled from either 10 a.m. until 11 a.m. or 1 p.m. (p. 18) The applicant also states that most traffic, i.e. people receiving doses and leaving, will clear by 6:30 a.m., raising the question of where these individuals will go between the time they leave the clinic and 11 a.m. when counseling begins, if, in fact, the applicant will offer true comprehensive counseling at all.

This facility is attempting to locate in an area that is primarily residential with businesses that generally operate Monday through Friday. The influx of the applicant's projected 1,000+ cars to this area would be overwhelming. As, I am sure has been pointed out, the medical presence in this area has been diminishing yearly, with most groups, unless they own their building, moving towards the hospital area, the designated Med Tech corridor along State of Franklin Road. If you want an orderly development of health care, a facility as this would be better located in close proximity to Johnson City Medical Center and Woodridge, the local psychiatric facility. This med tech area operates 24/7, could absorb the traffic, and would provide a more direct route to a facility than the one proposed.

Polly A. Peterson, Page 4 Crossroads Treatment Center

Finally, our hospital systems are merging and creating a new medical landscape for Northeast Tennessee and Southwest Virginia, which includes a new unit for the treatment of drug addicted babies. I feel that that the needs of this community are best addressed by the people of this community, not a for profit company which attempts to manufacture a need based on incorrect population figures and misleading statistics. As such, I urge you to deny the Certificate of Need filed by Crossroads Treatment Center.

Sincerely,

Polly A. Peterson

2203 Kipping Street

Johnson City, TN 37601

Stephen Loyd, M.D. 110 Corporate Drive Johnson City, Tennessee

SENT VIA EMAIL AND USPS

February 5, 2016 Tennessee Health Services & Departmental Agency ATTN: Melanie Hill 502 Deaderick Street Andrew Jackson Building, 9th Floor Nashville, Tennessee 37243

Re: Crossroads Treatment Center - CN1511-048

Dear Ms. Hill,

I am writing this letter to express my concern regarding the establishment of a methadone clinic owned by Crossroads Treatment Center in my hometown of Johnson City, Tennessee. I am an internal medicine physician and recovering opioid addict for over eleven years.

I have been involved with addressing the prescription pain pill epidemic in our state for ten years now. For the past four years, I have been treating the victims of that epidemic. My main interest has been the opiate addicted pregnant patient. In my opinion, the project proposed by Crossroads Treatment Center will not contribute to the orderly development of healthcare in our community.

I ask that you deny the certificate of need application and I look forward to participating in the hearing on February 24th, to further explain my position on this application.

Sincerely,

Stephen Loyd, M.D.

Associate Professor of Medicine Quillen College of Medicine

East Tennessee State University

Larry E. Denny, D.M.D. Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

In conclusion, it is clear our total opposition to the particular location and certification of the Crossroads Treatment Center in our medical community, due to not only the violations previously not remedied, but the deficiencies in the treatment program as displayed in previous facilities in our surrounding areas lead under the same false pretenses as the proposed Crossroads Treatment Center. We the medical and business society of this area hope the Health Services Developmental Agency will not issue a certificate of need to Crossroads Treatment Center, to be located on Princeton Rd., Johnson City, Tn.

Respectfully,

Jany E. Clenny

Dr. Larry E. Denny, DMD

hope a Certificate of Need will NOT be issued by Signed Name

the Tennessee Health Services and Development Agency, to Crossroads Treatment Center that is to be located on Princeton Road in Johnson City, Tennessee.

423 - 282 - 4769 Telephone Number

201 Brown Ave. J.C. TN

We agree with the facts stated in the attached letter from Dr. Larry Denny. Our city has qualified professional specialists on staff at our local hospitals that can handle all issues related to addiction treatment. We respectfully request that the agency deny the application for a Certificate of Need made by Crossroads Treatment Center, for the establishment of their clinic at Princeton Road and Wesley Street in Johnson City, TN.

Alan Edwards

Becky Edwards

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

In conclusion, it is clear our total opposition to the particular location and certification of the Crossroads Treatment Center in our medical community, due to not only the violations previously not remedied, but the deficiencies in the treatment program as displayed in previous facilities in our surrounding areas lead under the same false pretenses as the proposed Crossroads Treatment Center. We the medical and business society of this area hope the Health Services Developmental Agency will not issue a certificate of need to Crossroads Treatment Center, to be located on Princeton Rd., Johnson City, Tn.

Respectfully,

Jany E. Clenny

Dr. Larry E. Denny, DMD

Laura Liken 2216 Jakeland Dr. Johnson City, TN 37601

423.929.ZZ57

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We are 28 year residents of this At

Princeton Medical Center 411 Princeton Road, Suite 100, Johnson City, Tennessee 37601 Phone 423-282-6613

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Respectfully,

Jany E. Clenny

Dr. Larry E. Denny, DMD

, Norman DAVIS, JR, hope a Certificate of Need will NOT be issued by Signed Name

the Tennessee Health Services and Development Agency, to Crossroads Treatment Center that is to be located on Princeton Road in Johnson City, Tennessee.

Printed Name

423-863-1241

Telephone Number

2216 KIPPING STREET

Address

FEB 0 1 2016

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

In conclusion, it is clear our total opposition to the particular location and certification of the Crossroads Treatment Center in our medical community, due to not only the violations previously not remedied, but the deficiencies in the treatment program as displayed in previous facilities in our surrounding areas lead under the same false pretenses as the proposed Crossroads Treatment Center. We the medical and business society of this area hope the Health Services Developmental Agency will not issue a certificate of need to Crossroads Treatment Center, to be located on Princeton Rd., Johnson City, Tn.

Respectfully,

Dr. Larry E. Denny, DMD

Jany E. Clenny

Kathy Leear
2317 Nave DI
Johnson City TN
37601

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Clinic in my neighborhood.

Clinic in my neighborhood.

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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Respectfully,

Jany E. Clenny

Dr. Larry E. Denny, DMD

I, Lames R Coy , hope a Certificate of Need will NOT be issued by Signed Name the Tennessee Health Services and Development Agency, to Crossroads Treatment Center that is to be located on Princeton Road in Johnson City, Tennessee.

JAMES R. COX

Printed Name

(423) 926-6062

Telephone Number

Address Johnson City IN 37601

Kent Herrin (1919 - 1994)

K. Erickson Herrin Earl R. Booze Samuel K. McPeak



P.O. Box 629 515 East Unaka Avenue Johnson City, TN 37605-0629 attorneys@hbm-lawfirm.com

> Phone (423) 929-7113 Fax (423) 929-7114

February 5, 2016

SENT VIA EMAIL AND USPS

Melanie M. Hill Executive Director Tennessee Health Services and Development Agency 502 Deaderick Street, Andrew Jackson Bldg., 9th Floor Nashville, TN 37243

Email: Melanie.Hill@tn.gov

Re: Crossroads Treatment Center

CN1511-048

Ms. Hill:

Please accept this letter as one of Johnson City's statements in opposition to Crossroads Treatment Center's CON application. The reasons for the objection are as follows:

(a) Pending litigation initiated by Crossroads co-founder, Steve Kester, as the managing partner of TCH, against the City of Johnson City, the HSDA, the Johnson City Board of Commissioners, The Johnson City Board of Zoning Appeals, Melanie Hill and HSDA Board Members in their official capacities.

On November 26, 2013 the City of Johnson City and the Health Services Development Agency [HSDA] were sued by a methadone clinic applicant — Tri-Cities Holdings, LLC. This suit was filed following the HSDA's denial of a CON to Tri-Cities Holdings. This suit is still pending.

The application for a CON for Tri-Cities Holdings was presented to the HSDA on June 26, 2013 by Steven Kester. Steven Kester represented to the HSDA during this hearing that he was the co-founder of Crossroads Treatment Centers and the managing partner and 50% owner of Tri-Cities Holdings.

Mr. Kester now indicates he is "no longer affiliated with Tri-Cities Holdings LLC", but as the managing partner of that company with a 50% ownership interest, he

could have and should have dismissed this vexatious litigation. Mr. Kester apparently has no concern about leaving a pending lawsuit and CON appeal against this Agency and the City of Johnson City while seeking yet another CON under a different name.

It is the City of Johnson City's position that the Agency should deny further consideration of the CON application by Crossroads Treatment Center until such time as Mr. Kester has taken the necessary steps to dismiss the prior suit that he unjustifiably initiated and continues to maintain against the Agency and Johnson City.

(b) Opposition of the Health Care Community

This Agency has received letters of objection to the issuance of a CON to Crossroads Treatment Centers from well-regarded health care professionals and organizations in our community. Johnson City stands with the members of its health care community in which it has long standing confidence. Johnson City respectfully requests the Agency deny this CON application.

Respectfully submitted,

K. Eriekson Herrin

Counsel to the City of Johnson City

KEH/mlm

TRAUGER & TUKE ATTORNEYS AT LAW

THE SOUTHERN TURF BUILDING 222 FOURTH AVENUE NORTH

Nashville, Tennessee 37219-2117

TELEPHONE (615) 256-8585
TELECOPIER (615) 256-7444

February 9, 2016

By Hand Delivery

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency 502 Deadrick Street, Andrew Jackson Building, 9th Floor Nashville TN 37243

Email: Melanie.hill@tn.gov

RE:

Crossroads Treatment Center

Certificate of Need No. CN1511-048

Dear Ms. Hill:

On behalf of my client, Quillen Rehabilitation Hospital, I write to oppose the referenced certificate of need application for the establishment of a non-residential opioid treatment program in Johnson City, Tennessee for the reason that the project does not meet the statutory criteria for a certificate of need.

Representatives of Quillen Rehabilitation Hospital will attend the February 24, 2016 meeting of the Health Services and Development Agency to present opposition to this project.

Very truly yours,

Byron R. Trauger

BRT:kmn

cc: Kim Harvey Looney, Esq., Waller Lansden

Brian Luff, CEO, Quillen Rehabilitation Hospital

TRAUGER & TUKE ATTORNEYS AT LAW

the southern turf building

222 fourth avenue north

NASHVILLE, TENNESSEE 37219-2117

TELEPHONE (815) 256-8585 TELECOPIER (815) 256-7444

February 9, 2016

By Hand Delivery

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency 502 Deadrick Street, Andrew Jackson Building, 9th Floor Nashville TN 37243 Email: Melanie.hill@tn.gov

RE: Crossroads Treatment Center

Certificate of Need No. CN1511-048

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Very truly yours,

Byron R. Trauger

BRT:kmn

cc: Kim Harvey Looney, Esq., Waller Lansden Brian Luff, CEO, Quillen Rehabilitation Hospital

From:

Melanie Hill

Sent:

Tuesday, February 09, 2016 11:29 AM

To:

Jim Christoffersen; Mark Farber; Lowavia Eden; Mark Ausbrooks

Subject:

FW: Crossroads Treatment Center

From: Billingsby, Terry L [mailto:Terry.Billingsby@stores.kroger.com]

Sent: Friday, February 05, 2016 4:00 PM

To: Melanie Hill

Subject: Crossroads Treatment Center

Dear Ms. Hill,

Re: Crossroads Treatment Center

CN1511-048

It has come to my attention that Crossroads Treatment Centers are attempting to obtain a certificate of need to place a facility in Johnson City. I would like to object on the basis of the company's reputation at it's other facilities. I have seen reports that show a disregard for ethical medical and business practices at other facilities it has in neighboring states. Addiction treatment is a very serious business that must be run by caring and ethical people. They have stated that they will not have full time physicians staffing the facility. As a Pharmacist I know that there needs to be proper medical oversight for the successful management of this medical problem.

It is my understanding that the local hospital is trying to develop a professional program to address the addiction problem in the area. I don't believe Methadone alone is the answer. These type clinics have a tendency to attract out of state drug seekers. This has the potential to only increase crime in the local area. Let's let a program be started that is run by full time local professionals.

Sincerely,

Terry Billingsby, D.Ph.

This e-mail message, including any attachments, is for the sole use of the intended recipient(s) and may contain information that is confidential and protected by law from unauthorized disclosure. Any unauthorized review, use, disclosure or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply e-mail and destroy all copies of the original message.

From:

Melanie Hill

Sent:

Tuesday, February 09, 2016 11:29 AM

To:

Lowavia Eden; Jim Christoffersen; Mark Ausbrooks; Mark Farber

Subject:

FW: Crossroads Treatment Center

From: Paulson, Carmen M [mailto:Carmen.Paulson@stores.kroger.com]

Sent: Friday, February 05, 2016 6:17 PM

To: Melanie Hill

Subject: Crossroads Treatment Center

I would like to express my concerns about the treatment center that is proposed for Johnson City.

I feel it is too close to a child care facility and to a neighborhood with children. Please consider a different location.

Thank you,

Carmen Paulson

This e-mail message, including any attachments, is for the sole use of the intended recipient(s) and may contain information that is confidential and protected by law from unauthorized disclosure. Any unauthorized review, use, disclosure or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply e-mail and destroy all copies of the original message.

From:

Melanie Hill

Sent:

Tuesday, February 09, 2016 11:17 AM

To:

'Greene, Beth'

Cc:

'Peterson, Pete'; 'VanBrocklin, Ralph'; Jim Christoffersen; Lowavia Eden; Mark Ausbrooks;

Mark Farber

Subject:

RE: Letter from Commissioner Ralph Van Brocklin, City of Johnson City ~ Re: Crossroads

Treatment Center CN1511-048

Thank you for your letter. I will share it with Agency members prior to the February 24 Agency meeting in which this matter will be heard.

Melanie

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency Andrew Jackson Building, 9th Floor 502 Deaderick Street Nashville, TN 37243

www.tn.gov/hsda

Phone: 615-741-2364 Fax: 615-741-9884

From: Greene, Beth [mailto:bgreene@johnsoncitytn.org]

Sent: Tuesday, February 09, 2016 8:39 AM

To: Melanie Hill

Cc: Peterson, Pete; VanBrocklin, Ralph

Subject: Letter from Commissioner Ralph Van Brocklin, City of Johnson City ~ Re: Crossroads Treatment Center

CN1511-048

Importance: High

*** This is an EXTERNAL email. Please exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email - STS-Security. ***

Good Morning ~

Please find attached the following letter for your information: Crossroads Treatment Center – CN1511-048, Letter in Opposition, Ralph J. Van Brocklin, DMD, Commissioner, City of Johnson City.

Thank You!

Beth Greene

Executive Assistant City of Johnson City 601 East Main Street Johnson City, TN 37601 Ofc: (423) 434-6002 Fax: (423) 434-6295



Think green: Only print this e-mail and any attachment if necessary.

From:

Melanie Hill

Sent:

Tuesday, February 09, 2016 2:54 PM

To:

Lowavia Eden; Mark Farber; Jim Christoffersen; Mark Ausbrooks

Subject:

FW: Proposed Methadone addiction clinic - 413 Princeton Road Johnson City, TN

From: stump_ed@yahoo.com [mailto:stump_ed@yahoo.com]

Sent: Friday, January 29, 2016 10:52 AM

To: Melanie Hill

Subject: Proposed Methadone addiction clinic - 413 Princeton Road Johnson City, TN

*** This is an EXTERNAL email. Please exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email. - STS-Security***

Ms. Hill,

Thank you for taking the time to read my email. I am sending this email as a concerned citizen of the state of Tennessee and in particular of Johnson City. I live at 2309 Nave Drive, Johnson City TN 37601. I am sending this letter as it was the directive given in our local newspaper over the proposed Methadone Clinic for Johnson City TN. I am troubled as a resident of Johnson City and in particularly of a homeowner in an adjacent subdivision of where this clinic is proposed to built. I am an educated MBA Healthcare professional and I don't understand why this clinic is being proposed close to a residential community versus a Medical corridor. Johnson City has specifically developed and allocated land within the city boundaries for Medical purposes. The Med Tech corridor was specifically developed in Johnson City for Medical businesses. Princeton Road has been in the process of moving away from a medical development as Mountain States has divested in this corridor with its acquisitions and moving to the Med Tech corridor. As citizens we have watched land be sat aside for Medical use, but apparently this allotted land isn't the type of Medical establishment as it would be a blemish on what is promoted as a Medical Technology corridor. Instead, TN and Johnson City is relegating this proposed clinic to a Middle Class residential community. Why has this not been publically debated? Why has this been secretly balloted? The residents of the adjoining residential areas have never had a proposed rezoning communication, and yet one was quickly passed without invite of public input or debate.

As a Healthcare professional, I understand the desire for a Methadone treatment facility and I do not oppose that. What I oppose is putting this type of facility in close proximity to residential communities. That is unwarranted and unnecessary given the availability within Johnson City's Medical developments. These individuals deserve treatment, but they are also suffering addictions. They will be transients coming to this community for methadone treatment. Please consider the risks to our children and to our communities. There is a place for this center and it is not in this part of town. As middle class productive citizens of the state of Tennessee we need to be heard. Your office has the power to do that. I humbly ask you to decline this application or ask it to be re-visited for a different zone within the city.

Sent from Mail for Windows 10

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

In conclusion, it is clear our total opposition to the particular location and certification of the Crossroads Treatment Center in our medical community, due to not only the violations previously not remedied, but the deficiencies in the treatment program as displayed in previous facilities in our surrounding areas lead under the same false pretenses as the proposed Crossroads Treatment Center. We the medical and business society of this area hope the Health Services Developmental Agency will not issue a certificate of need to Crossroads Treatment Center, to be located on Princeton Rd., Johnson City, Tn.

Respectfully,

Dr. Larry E. Denny, DMD

Jany E. Clenny

STARR Dennis

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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Jany Er. Clenny

Kalain Worken Cale VI

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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Respectfully,

Jany E. Clenny

Dr. Larry E. Denny, DMD

I, hope a Certificate of Need will <u>NOT</u> be issued by Signed Name

the Tennessee Health Services and Development Agency, to Crossroads Treatment Center that is to be located on Princeton Road in Johnson City, Tennessee.

Printed Name

423-928-3351

Telephone Number

1603 Galen DR, JC, TM Address 37/01/

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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Respectfully,

Jany E. Clenny

Dr. Larry E. Denny, DMD

I appose of this facility in Toman City.

Larry Brever

Po Box 419

Johnson City, TN 37605

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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Respectfully,

Jany E. Clenny

Dr. Larry E. Denny, DMD

He have added a bils, Inc., pervise detention center, country health dept are to this area. If we add another treatment center, is will increase the traffic on an already heavily traffic area used as a cut-through from two major roads. The speed limit is Consistently violated now. My grandchildren cater the bus on this road. It is unsafe and addo risk to an already risky area. Please do not add add this clinic that will only increase risk and my contribute to loss of life and injury. I agree with this letter.

Linda Jernigan 2206 Nave Dina 423-773-8147 Melanie M. Hill Executive Director Tenn. Health Serv & Dev Agency 502 Deadertick Street Andrew Jackson Bldg, 9th Floor Nashville, TN 37243

Dear Ms. Hill,

We are writing in reference to the building of an Addiction (Methadone) Treatment Center (Crossroads Treatment Center) at 413 Princeton Road.

We as a community are opposing this facility.

We feel that this type of center **should not be built in a residential area** due to many reasons. This area has many upstanding businesses, children, elderly and widowed persons and they are concerned for their safety. It is a sad day when the tax paying citizen has to worry about going outside in their own neighborhood due to the fear of drug addicts harassing them or vandalizing their property. It is a concern that the crime rate will go up as well as devaluing our property and from the statistics this type of center has a **95% failure** rate on top of everything else. This type of facility is basically a legalized drug pushing facility in our opinion.

There are also churches, many businesses, a center for children (Coalition for Kids) and a day care center neighboring this property. This poses a great safety issue for the children and other businesses customers in the area.

Please reconsider allowing this facility being put in Johnson City, TN. The Community does not want it near our families or business.

Thank you for your time and consideration.

Sincerely,

Citizens and Business owners of Princeton Community

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

In conclusion, it is clear our total opposition to the particular location and certification of the Crossroads Treatment Center in our medical community, due to not only the violations previously not remedied, but the deficiencies in the treatment program as displayed in previous facilities in our surrounding areas lead under the same false pretenses as the proposed Crossroads Treatment Center. We the medical and business society of this area hope the Health Services Developmental Agency will not issue a certificate of need to Crossroads Treatment Center, to be located on Princeton Rd., Johnson City, Tn.

Respectfully,

Dr. Larry E. Denny, DMD

Jany E. Clenny

Ms. Hell:
The attatched letter expresses

precisely my concerns regarding
the proposed methodone facility
mentioned,
mentioned,
my desire is for you to consider the letter as stated.

many Thanks.

Ms. Frank Arees



February 3, 2016

Melanie M. Hill, Executive Director Tennessee Health Services and Development Agency 502 Deadrick Street, Andrew Jackson Building, 9th Floor Nashville TN 37243

Email: Melanie.hill@tn.gov

Re: Crossroads Treatment Center - CN1511-048

Dear Ms. Hill:

This letter is written to register the opposition of East Tennessee State University to the Certificate of Need (CON) applied for by the Crossroads Treatment Center. There are three reasons for this opposition. First, representatives from Crossroads have misrepresented the position of the university's support for their work. Second, the for-profit business model for methadone maintenance therapy is widely known to be consistent with highly variable quality of care, and there is significant disincentive to taper clients, even after a long period of time. The regular dosing of the product can, in itself, become the goal, rather than full recovery of the individual. Third and finally, non-profit options for methadone maintenance are more supportive of health and consistent with the vision that our university has for regional initiatives for treatment and prevention of opioid use disorder.

Crossroads Treatment Center misrepresented the position of the university by putting forward a letter indicating interest from a departmental chair in exploring internship opportunities as evidence of the full support of the university. This was not accidental. It is important to recognize that the university and its community partners host a large, open interprofessional monthly gathering of colleagues that are working together to combat prescription drug misuse and its outcomes. The group includes stakeholders from diverse community healthcare partners such as medically assisted treatment centers, Frontier Health, Mountain States Health Alliance, pain management professionals, primary care physicians, coalitions, and many others. They have met monthly and publicly since 2012. Information about the group, known as the Prescription Drug Abuse Working Group, is publicly available and has been so available on the university website for more than two years (http://www.etsu.edu/cph/pdam/default.php). Mr. Kester spoke by phone with Dr. Robert Pack, the chair of the working group, several years ago and indicated knowledge about his and the group's activities. There are numerous, other well-known stakeholders in this field at the university. Engaging with this group of experts would have been an ideal first step in inquiring about the university's interest in supporting the clinic. Stating that the interest in potential internship opportunities by one department indicates that the university as a whole supports the mission of this proposed clinic is misrepresentation.

Melanie M. Hill February 3, 2016 Page 2 of 2

There has been a rapid expansion of for-profit methadone clinics in the United States, at which the quality of care is widely acknowledged to be highly variable. In fact, the profitability and risk of poor care was highlighted in a lengthy 2014 Bloomberg Business article about the largest methadone provider in the United States, CRC Health, which was, at the time, owned by Bain Capital (http://www.bloomberg.com/news/articles/2013-02-08/drug-users-turn-death-dealers-as-methadone-from-bain-hits-street). This article highlights the expansion of the industry in response to the opiate addiction epidemic, the incentives to keep patients on the same dosing, and the negative outcomes from over-prescribing and dispensing methadone that was often diverted. For-profit methadone clinics have no incentives for patients to taper off of their treatment and cost more than public programs. The patient population in our region is highly marginalized and, as a whole, does not have a lot of resources. They would be best served by a non-profit approach that reinvests public and private payer resources into expanded access to wrap around services such as psychotherapy, counseling, job-skills training, social work, and family therapy.

The incentives for a non-profit clinic are to get people connected to treatment resources and then wean them off. This is consistent with our vision for the interprofessional care for addiction that should be taking place in our region. As the region's only Academic Health Science Center, the private, for-profit practice model is wholly inconsistent with our vision to help change the culture and consequences of opiate addiction that have plagued our region for far too long. To do that, we must prioritize actions that facilitate care that is highly professional, inter-disciplinary, and patient, not shareholder, focused. Our efforts should be benchmarked on the best evidence and held to a standard that is ever increasing in quality.

Based on the practices of representatives of the clinic, the business model of the for-profit methadone industry and the lack of fit into our regional culture of partnerships with the healthcare industry, we submit this letter in opposition to the Certificate of Need for Crossroads Treatment Center.

Sincerely.

Brian Noland President

Feb. 8, 2016 To whom it may Concien Mr. Melanie Hice Executive Director
Tenn. Health Services, + Development agency Ms. Hill Retar Lields, g 2318 Princeton La. Johnson City, The Submit this letter to the possible placement ga Methodone Cleric being located at 410 Princeton Road in TJohnson Cty Th. This would interupt a longtime Family oriented, mostly Seniors Living area. with a Day Care center in the area nearby - and a church. Our clime rate is very low in our area at this time - and I would much rather a facility of this Type be located in a non Residental area on d closley Monitered -Please accept this letter as a Total Objection to this plan -Sincorely R:ta F:283 2318 Cinecton have

JC. Th. 37601

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

In conclusion, it is clear our total opposition to the particular location and certification of the Crossroads Treatment Center in our medical community, due to not only the violations previously not remedied, but the deficiencies in the treatment program as displayed in previous facilities in our surrounding areas lead under the same false pretenses as the proposed Crossroads Treatment Center. We the medical and business society of this area hope the Health Services Developmental Agency will not issue a certificate of need to Crossroads Treatment Center, to be located on Princeton Rd., Johnson City, Tn.

Respectfully,

any E. Clenny

Dr. Larry E. Denny, DMD

hope a Certificate of Need will NOT be issued by Signed Name the Tennessee Health Services and Development Agency, to Crossroads Treatment Center that is to be located on Princeton Road in Johnson City, Tennessee.

503-550-7210

JOHNSON CITY, TN 37601

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

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Respectfully,

Jany E. Clenny

Dr. Larry E. Denny, DMD

This letter expresses my opposing thought to the proposed Crossroads Theatment Center. As a member of this Community, I request that The Health Services Developmental agency not issue a certificate of need to Crossroads Treatment Center, to be located or Princeton Road, Johnson City, In.

Respectfully,

Janier H. Marshall

216 Princeton Road

Johnson City Jn., 37601

423-282-4752

Princeton Medical Center 411 Princeton Road, Suite 100 Johnson City, Tennessee 37601 Phone 423-282-6613

In conclusion, it is clear our total opposition to the particular location and certification of the Crossroads Treatment Center in our medical community, due to not only the violations previously not remedied, but the deficiencies in the treatment program as displayed in previous facilities in our surrounding areas lead under the same false pretenses as the proposed Crossroads Treatment Center. We the medical and business society of this area hope the Health Services Developmental Agency will not issue a certificate of need to Crossroads Treatment Center, to be located on Princeton Rd., Johnson City, Tn.

Respectfully,

Jany E. Clenny

Dr. Larry E. Denny, DMD

I oppose this clinic being opened in Johnson City, TN. Sady Cable

CERTIFICATE OF NEED REVIEW REPORT CON1511-048 Crossroads Treatment Center (Crossroads)

Crossroads Treatment Center of Tri-Cities, PC Rupert J. McCormac MD (owner) 105 N. Spring Street, Suite 109 Greenville, SC 29601

Application date November 6, 2015

The Tennessee Department of Mental Health and Substance Abuse Services (TDMHSAS) has reviewed the application for a Certificate of Need (CON) submitted by Crossroads Treatment Center of Tri-Cities, PC (Crossroads) for a non-residential (outpatient) methadone-only methadone maintenance treatment/medication assisted treatment (MMT/MAT) center (Center) (for adult patients who are addicted to/dependent on opioid substances) to be located in Johnson City, Tennessee, Washington County. In accordance with rules of the Tennessee Health Services Development Agency (HSDA), the Department's analysis consists of the following three components: Need; Economic Feasibility; and Contribution to the Orderly Development of Health Care.

This review, analysis, and presentation of data consists of three (4) parts:

- Scope of Project
- Analysis of Need, Economic Feasibility and Contribution to the Orderly Development of Health Care
- Conclusions

SCOPE OF PROJECT

The Crossroads Treatment Center of Tri-Cities, PC (Crossroads) proposes to be a non-residential (outpatient) methadone maintenance treatment (MMT) center for adult patients who are addicted to/dependent on opioid substances to be located in Johnson City, Tennessee, Washington County. The new Center would be located at 413 Princeton Road, Johnson City, TN 37601 near the Princeton Medical Center. The building facility would consist of new construction on land that is presently under contract but not yet purchased. The land will be purchased by Calhoun Real Estate which will then assign it to the Applicant via the Holding company which is the parent company of the management entity. Closing for the purchase is set for 3/1/2016 before which time the purchaser can terminate the contract for cause. Following the purchase, the management company will lease the facility to the Applicant. Details about ownership and business affiliations are put forth in item B1 this document.

The proposed facility would be approximately 6,000 square feet with counseling rooms (13), a pharmacy with dosing areas (4), one group room, one lab, one staff break room, staff

offices (4), closets (3), one chart room, restrooms (4), one waiting room (seating 55 individuals), one payment room, exterior entrance and exit doors (4), and "ample" parking which is described in the follow-up information submitted by the Applicant as having 85 spaces. The facility will be secured with alarms and cameras.

The proposed project would cost approximately \$1.9M to build and make ready for services to be provided on site. The financing is provided to the management company by Ally Bank by means of a revolving line of credit. The facility will then be leased back to the owner/Applicant.

The Applicant proposes a geographic service area consisting of the following Tennessee counties: Carter, Greene, Hancock, Hawkins, Johnson, Sullivan, Unicoi and Washington which is the area of TDMHSAS Planning Region 1. No contiguous state counties are listed.

The proposed population to be served is adults over the age of 18. There is no proposed service to persons who are under age 18. The milieu of services would include methadone dosing treatment, counseling, physical and psychosocial assessments, laboratory screening, drug screening, Hepatitis C and HIV screening, Tuberculosis screening, and coordination of care with prescribing physicians not located on-site. A limitation for the provision of buprenorphine therapy is not requested or desired by the Applicant although the Applicant is not including buprenorphine in the application for approval. The proposal indicates that referrals to community resources would be made for clients needing services such as medical care, vocational/educational needs, or emergency mental health services.

There is no plan for the Center to become paneled with Medicaid, Medicare or any other insurance company. Revenue is projected to come from patients for whom intake and initial screening are free of charge and who will pay \$1 a day for the first 30 days. After patients have been in treatment for 30 days, patients pay \$14 a day for methadone dosing, receive one urine screen per month free of charge, and who pay extra for other services, some of which are required depending on the patient's relapse status (drug screens) and some of which are not required. The \$14 daily charge also covers patient intake, physician assessment and counseling (p. 42, initial application). Costs for other services are extra urine screens (\$10 each); specialty urine screens (\$2 to \$10); oral swabs in place of urine screen (\$15 each); other types of testing such as pregnancy testing or a four-panel screen (\$5 to \$15); annual lab tests following the first year's testing (\$10 to \$50); other miscellaneous fees (\$15 to \$25). Essentially, it is inexpensive or free to begin treatment, and becomes more expensive as time in treatment passes and more tests become necessary (e.g. a failed routine urine screening requiring additional screens). Cost is at least \$14 a day after the first 30 days. It is possible for patients to attend less than daily after 90 days of treatment, and during the first year, patients will attend at least 200 of the 365 days. In follow-up information, the Applicant states that patients who are in treatment who encounter financial difficulties and cannot pay for treatment can request temporary assistance with treatment and that the facility will "work with" that person to make sure treatment continues. No information was included to indicate how often this occurs, how many patients were assisted in other Crossroads clinics, or how many patients were terminated due to inability to pay.

Proposed Operations Schedule:

Monday-Friday

5:00 a.m. -10:00 a.m.: Dosing, Counseling, Admissions, Assessment and Physicals 10:00 a.m. - 1:00 p.m.: Counseling and Administration

Saturday and Sunday

6:00 a.m.-8:00 a.m.: Dosing only

Proposed Staff Schedule:

Monday-Friday

5:00 a.m. – 11:00 a.m.: Nurses dose patients, Secure and track medication inventory

5:00 a.m. – 11:00 p.m.: Counselors coordinate treatment services

Tuesday and Friday

6:00 a.m. - 8:00 a.m.: Physicians see patients

Saturday and Sunday

6:00 a.m. – 9:00 a.m.: Nurses dose patients, Secure and track medication inventory Staffing specifics are located in item C 1, of the application. A description of the project's average gross charge, average deduction from operating revenue and average net change on p. 42 of the application refers to patients receiving their Sunday dose to take home on Saturday. Elsewhere in the application is it indicated that this only applies to patients who have been in treatment successfully for some time and whose physician believes this arrangement is medically indicated. Some patients will receive Sunday doses on Sunday.

Pregnant women seeking treatment, or women who become pregnant during treatment, receive "charity care" meaning free treatment in the event they are unable to pay for continued treatment. After a woman has given birth, however, she is subject to the same fees as all other patients. Length of time in treatment is stated by the Applicant to be generally about 18 months making the total amount of treatment for patients on an average length of time in treatment about \$7,170 for methadone dosing with all other services costing extra (Applicant cites statistics from other Treatment Centers operated by the owner in Weaverville, North Carolina and Asheville, North Carolina).

Applicant projects 100 persons served in the first 30 days; 697 served in the first year; and initially projected a \$59,755 profit the first year. Follow up information, however, shows a net loss the first year of operation and a profit the second year. Item B2 this document contains details about economic feasibility. Applicant estimates final completion of construction in October 2016.

All sites for Crossroads Treatment Centers in North Carolina, South Carolina, Georgia and Virginia are listed as accredited on the CARF website http://www.carf.org/home/. There is no evidence of pending complaints.

<u>ANALYSI</u>S

A. NEED

Because the proposed facility is an outpatient treatment facility and does not seek to add beds to the inpatient service milieu in the area, the Applicant has presented supporting data regarding need for the services offered by the new Center. The applicant cites the Center for Medicare and Medicaid Services (CMS), the Centers for Disease Control (CDC), Tennessee Department of Mental Health and Substance Abuse Services data and publications, the Substance Abuse and Mental Health Services Administration (SAMHSA) including the National Survey on Drug Use and Health (NSDUH), and several studies in reference to the potential need for a Center in the TDMHSAS Planning Region 1.

1. A description of the geographic area to be served;

The Applicant names the following counties in Tennessee as the service area: Carter, Greene, Hancock, Hawkins, Johnson, Sullivan, Unicoi and Washington (page 4). The counties named make up the entirety of the TDMHSAS Planning Region 1.

2. An analysis of the population of the area;

The Applicant cites information published by the TDMHSAS in stating that 8,800 to 21,500 individuals are addicted to heroin or other opioids in the service area (pp. 5, 24). The original sources actually indicate that this is the estimate of people who engaged in non-medical use of opioids, not the frequency of addiction and not an estimate of the frequency of need for opioid substitution treatment (see #3, below). The Applicant also states that the adult population in that area is projected to grow 3.99% between 2015 and 2019. The Applicant cites the source of the population or projections for growth as the Department of Health population growth projections., TDMHSAS notes that the Tennessee Center for Business and Economic Research population growth projections for 2010 to 2020 show a growth in adult population (age 20 and up) of 3% in 420,604 the service from 406,849 area 2015 2019.<u>http://tndata.utk.edu/sdcpopulation.htm</u>) The increase is a total of 13,755 persons.

3. The estimated number of persons in the described area who are addicted to heroin or other opioid drugs and an explanation of the basis of the estimate:

The Applicant's estimate of 8,800 to 21,500 persons in the area addicted to heroin or other opioids is based on the adults in the service area who report the non-medical use of prescription drugs in the past year on the NSDUH. Estimates of use of a substance do not equate to a need for treatment. Treatment estimates are typically based on estimates of the population who abuse or are dependent on a substance. NSDUH only provides an estimate of the non-medical use of pain relievers rather than abuse or dependence. According to the most recent NSDUH estimates, the percent of adults (18+) reporting the non-medical use of prescription drugs is 4.56% in the proposed service area.

The TDMHSAS prevalence estimates show that, for the Region in which the service area is located, 4.6% of adults used non-medical pain relievers and that the number is trending downward since 2008 from 6.7% to 4.6% in 2012. Present percentages of adults using non-medical pain relievers in 2015 (using 2012 percentage of

4.6%) results in 18,522 for the service area. Although this number is in the range of need defined by the Applicant (8,800 to 21,500), it does not represent the number of people needing treatment, only the number of people using opioids non-medically.

If 18,552 individuals report the non-medical use of pain relievers, an estimated 2,600 individuals or 14% would meet the criteria for substance abuse treatment based on estimates of the National Institute for Drug Abuse indicates on its website (www.drugabuse.gov/publications/research-reports/prescription-drugs/director). It is unknown what percentage of those 2,600 would be addicted to opiates and would be candidates for opioid substitution treatment such as methadone maintenance or buprenorphine-assisted treatment.

4. The estimated number of person in the described area addicted to heroin or other opioid drugs presently under treatment in methadone or other treatment programs;

The Applicant cites CDC/Medicare Part D data that show that there are significant concerns related to opioid prescription use in the service area. The Applicant cites an interactive map published by the CDC/Medicare Part D to show the percentage of prescriptions written and filled in the area in FFY 2013 that contained opioids. The Applicant puts forth a chart showing the area aforementioned percentages and totals. TDMHSAS notes that seven of the eight percentages cited by the applicant are not consistent with the percentages published on the interactive map provided by CMS. Included in the follow-up information requested by HSDA, the Applicant states that some information pertaining to the map was altered with information other than what was provided on the map (zip code-centered information). The altered information was then corrected on the first follow-up submission. The map can be viewed on the CMS website https://www.cms.gov/Research-Statistics-Data-andfollowing location: at the Systems/Statistics-Trends-and-Reports/Medicare-Provider-Charge-Data/OpioidMap.html

The Applicant states in the follow up submission that the Medicare Part D data is utilized to show that age is not a factor in addiction. However included in the narrative of the application is a statement by the Applicant that persons of an age making them eligible for Medicare Part D (65 and up) do not seek the type of treatment provided by the proposed Center. The last statement is used by the Applicant to explain the reason that the Applicant will not seek Medicare paneling.

TDMHSAS-funded agencies reported 1,056 admissions in 2014 for the non-medical use of prescription opioids (1,019) or heroin (37). In addition, 146 physicians in Region 1 were certified by the Drug Enforcement Administration (DEA personal communication, October 2015) to provide buprenorphine treatment for opioid abuse. Based on the number of patients each physician is certified to treat, the estimated patient capacity for these physicians is 10,050 patients.

Adding the capacity of TDMHSAS-funded agencies to the patient capacity of physicians, Region 1 counties currently have the capacity to serve 11,106 individuals needing treatment for opioid abuse.

5. Projected rate of intake and factors controlling intake.

The Applicant states that intake will total 100 patients in the first 30 days, then approximately 50 per month to reach 697 by the conclusion of the first year of operation.

In follow-up information submitted, the Applicant states that residents of the service area who are presently receiving treatment (approximately 300) at the Applicant's facilities in other locations (Asheville, North Carolina [NC] and Weaverville, NC) will be transferred to the Center in Johnson City. The transfers are included in the intake estimates.

6. Comparison of estimated need to existing capacity.

The Applicant notes that the nearest in-state methadone maintenance clinic is located in Knoxville which is more than an hour drive by car from Johnson City. Currently, only 28 persons are traveling from counties in the proposed service area to Knoxville for methadone treatment. The Applicant also notes that the nearest out-of-state clinic is located in Weaverville, NC which is an hour or less away in terms of drive time for an individual who lives in Johnson City. The Applicant states that some individuals needing treatment in the proposed service area travel to Crossroads Clinics in Asheville, NC and Weaverville, NC to receive treatment in the absence of a clinic in Johnson City. The applicant provides data on drive times crosswalked with all available clinics from most areas of the geographic service area.

The Applicant provides information regarding the number of doctors who are approved to provide buprenorphine treatment in the proposed service area as 114. The actual number of doctors in the service area who are approved to prescribe buprenorphine is 146 with a combined capacity to treat 10,050 individuals who present with opioid abuse or dependence (TDMHSAS Office of Research, October 2016.

TDMHSAS provided state-funded substance abuse treatment services to 1,056 individuals who abuse or are dependent on opioids or heroin in 2014. Only 4% (37 admissions) of 1,056 admissions for opioid abuse or dependence to TDMHSAS funded treatment are for heroin; 96% of TDMHAS admissions for opioid treatment are for abuse or dependence on prescription opioids.

Subtracting 1,056 of those already receiving services from the estimated need of 2,600, yields about 1,544 individuals addicted to opioids who need access to other forms of treatment.

Although there is currently no methadone treatment in the area, the existing capacity of physicians in the service area to provide buprenorphine treatment (10,050) for opioid abuse is about 6.5 times the number of patients estimated to need treatment. The Applicant only addresses access to methadone treatment in the area.

The research cited by the Applicant indicates that MMT is the most effective treatment for individuals with a severe heroin addiction. As noted in the analysis of the estimated number of persons in the described area who are addicted to heroin or other opioid drugs (# 3., p. 5, above) prescription drug abuse appears to be an area of greater need than heroin addiction. Buprenorphine is identified in the literature as an effective alternative treatment for opioid dependence with less risk of overdose and less abuse potential than methadone. The Applicant has not clearly established the need for a new Center to provide MMT for severe heroin addiction.

B. ECONOMIC FEASIBILITY

1. Ownership and Management

Following the submission of the initial application on November 6, 2015, follow up information was requested by HSDA and submitted by the Applicant on November 20, 2015 that clarified ownership and management of the proposed Center in Johnson City. A second request for follow up information was requested by HSDA on November 24, 2015 and submitted by the Applicant on November 25, 2015.

The Applicant initially presented ownership information by means of an organizational chart entitled "Treatment Centers" representing Dr. Rupert McCormac as holding 100% ownership of all Crossroads Treatment Centers in each state in which facilities are located (North Carolina, South Carolina, Virginia, and Georgia). Dr. McCormac is, however, not noted as the Applicant. The Applicant is noted as the corporation Crossroads Treatment Center of Tri-Cities, PC (incorporated in Tennessee) with a primary address located in Greenville, South Carolina (as per the first follow-up submission).

The proposed management entity, Crossroads of Tri-Cities Management Company, LLC (incorporated in Tennessee) is owned by a holding company called Treatment Centers HoldCo, LLC (incorporated in South Carolina) which is, in turn, wholly owned by another holding company called Crossroads Holding, LLC (incorporated in Delaware). The management agreement exists between Crossroads of Tri-Cities Management Company, LLC (TN) and Crossroads Treatment Center of Tricities, PC (TN) for management of the proposed facility.

The Applicant puts forth a chart in the follow-up submission entitled "Crossroads Treatment Centers Ownership Interest of 5% of Greater" (Attachment A, Item 4) that shows percentages of ownership for different individuals and corporations that suggest that Dr. McCormac is not the sole 100% owner of all Crossroads Treatment Centers but shares ownership with the aforementioned individuals and corporations as presented in the aforementioned chart. The ownership clarification was requested via letter to the Applicant from HSDA which inquired about ownership of the holding company, however, and not the treatment centers. The answer addresses the treatment centers' ownership and not the holding company. Further clarification from the Applicant (12-29-2015) shows an error on the chart and the ownership reflected there is for the Crossroads Holding LLC.

2. Expected Costs and Alternatives; Revenue and Expense Information

The Applicant states via the Project Costs Chart that new construction, land purchase, facility build-out, applicable fees and preparation will cost a total of \$1,830,770. Initial funding for the project is established through a revolving line of credit with Ally Bank, documentation for which is provided in the application. The Ally Bank documentation for funding, as noted by a second follow up letter from HSDA, is assigned to the Crossroads Tri-Cities Management Company, LLC (management entity). The management entity will then lease the property and all improvements to the Applicant for use as the Center. The Center will then be managed by the management company. The Applicant states that, barring any unforeseen circumstances, service begin date will be October 2016. The Projected Data Chart submitted shows year one as 2016 and year two as 2017.

Revenue for the first year of operations will come from self-pay patients. There is no intention of paneling with TennCare or any other insurance company since methadone

maintenance is not generally a covered expense. Projected revenue for year one of operation is noted as \$1,668,315, and year two is noted to be \$3,826,645 (page 44 initial response). In the initial application, the Applicant projects a year one profit of \$59,755 and a year two profit of \$929,123. In the second follow up response, a revised projected data chart is submitted by the Applicant that shows a year one net loss of \$540,245 and a year two net profit of \$329,123. Year one is noted to intake and serve 697 patients making an average revenue per patient expectation of \$2,393.42 for the year. Year two is noted to intake and serve 1,108 patients making average revenue per patient expectation of \$3,453.65. However, the Applicant's overestimate of the need for a new MMT Center in the region (see A. Need, above) raises questions about the economic feasibility of the proposed project.

The staffing patterns and service availability described in the application do not meet TDMHSAS minimum licensure requirements for non-residential treatment opioid treatment clinics (see 0904-05-42 at http://sos.tn.gov/effective-rules). Adjustments to bring services into compliance would increase operational costs, thereby affecting the economic feasibility of the application.

3. Projections

See Item B-2 for Projections.

4. Alternatives to New Construction

The Applicant states that new construction was required and that no other previously existing buildings in Johnson City met the requirements of state or federal law regulating Opioid Treatment Centers.

C. CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTHCARE

1. Staffing and Treatment Information

The Applicant provides the following staffing information: the proposed Center would initially employ one program director, one clinical director, one administrative assistant, one Lead Registered Nurse (RN), one dosing licensed practical nurse (LPN), counselors (2), one physician's assistant (PA), one medical doctor (MD) and one security guard.

All positions are slated to be full-time at the start of services with the exception of the MD who will be in the Center twice a week on Tuesday and Friday for two hours from 6:00 AM to 8:00 AM totaling four hours a week (10% or .1 FTE). The MD is identified as Dr. Paul Pyles whose resume is included as part of the initial application. The ranks of counselors will be increased by one counselor per every 50 added patients. Please note that the staffing patterns described by the Applicant do not meet minimum licensure requirements for non-residential treatment opioid clinics (see 0904-05-42 at http://sos.tn.gov/effective-rules).

The Applicant states that the treatment Center in general "treats patients through a holistic, biopsychosocial model." The model is described as individualized, supportive through individual and group counseling, physician-directed medical care, and coordinated with community resources and services professionals who provide other

needed services to patients. In response to a query from the Health Services Development Agency on health care providers with whom the new Crossroads treatment center would work with, the Applicant provides a list of several local agencies. It is concerning that no documentation was provided on the establishment of these relationships or letters of support from these providers.

The purpose of the approach to treatment is to support the health and recovery of patients, reduce symptoms, promote personal growth and healthy choices, restore functioning, and promote positive relationships. The Applicant states that the Center espouses four core values: Hope, Pride, Stability and Progress. The Applicant also states that staff is committed to a "service first" philosophy, that staff are trained and qualified, that staff will communicate with patients and that staff will comply with all state and federal law and regulations. (page 17 and 18, initial application).

Patients will receive an intake physical and psychosocial assessment, a lab screening, drug screening, a HEP C and HIV screening, a TB screening, coordinated care with other physicians, substance abuse counseling and referrals for any needs extraneous to the services available at the proposed Center.

2. Effect on Existing Providers and Resources

The Applicant repeatedly states that there are no other Opioid Treatment Providers in the proposed service area. There is considerable discussion of the number of buprenorphine prescribers in the area with some statistics put forth about the numbers of individuals in treatment with said prescribers. The Applicant states that most buprenorphine prescribers do not provide patients with therapy, counseling and coaching needed to allow for the improvement of quality of life.

TDMHSAS provided state-funded substance abuse treatment services to 1,056 individuals who abuse or are dependent on opioids or heroin in 2014. Only 4% (37 admissions) of 1,056 admissions for opioid abuse or dependence to TDMHSAS funded treatment are for heroin; 96% of TDMHAS admissions for opioid treatment are for abuse or dependence on prescription opioids. In addition, 146 physicians in Region 1 were certified by the Drug Enforcement Administration (DEA personal communication, October 2015) to provide buprenorphine treatment for opioid abuse. Based on the number of patients each physician is certified to treat, the estimated patient capacity for these physicians is 10,050 patients.

3. Letters of Support

There are no indications of statements of support. It is concerning that there are no letters of support or other documentation from other mental health/substance abuse providers in the area with which the Applicant indicates they will establish working relationships for referrals.

4. Implementation of State Health Plan

The application describes how the proposed Center is consistent with implementation of the state health plan by indicating that Tennesseans addicted to opioids would be in better health if receiving Methadone Maintenance Treatment (MMT) and the proposed Center would improve access to health care by providing an MMT resource where there is none. The applicant states that the proposed Center would increase

economic efficiency of opioid addiction treatment by eliminating the need for Tennesseans in this region to travel long distances for MMT. The applicant states that the quality of care would be closely monitored by Federal law and regulation and the Rules of TDMHSAS. Finally, the applicant believes that the prosed Center would contribute to workforce development by providing training and employment for Tennessee nurses, counselors and doctors.

The Applicant states that there are numerous data that show that MMT helps to improve the health and well-being of patients who are addicted to opioids. The Applicant quotes the CDC in stating that MMT is the most effective treatment for opiate addiction. However numerous studies indicate that Buprenorphine is an effective alternative for opioid addiction for the possible exception of severe addiction requiring high levels of medication, and that buprenorphine poses fewer health risks such as overdose and cardiac problems. The Applicant notes that access to MMT is non-existent in the service area and adding one Center improves access to patients who are addicted and states that efficiency of care and cost of care is improved when care is located conveniently close to citizens who are in need of care. The Applicant quotes TDMHSAS in saying that, while buprenorphine has a role to play in treating opioid addiction, there have been concerns with the efficacy of outcomes due to a lack of accompanying therapy and other clinical strategies. While TDMHSAS maintains an interest in a full array of available services including therapy, it has not been clearly demonstrated that establishing a MMT clinic in an area with a higher level of prescription drug abuse than heroin addiction contributes to the implementation of the state health plan.

The Applicant responds to the item concerning the public's confidence in the quality of health care necessary to be consistent with implementation of the State Health Plan by indicating that "(t)he Applicant will meet or exceed all minimum program requirements for Non-Residential Substitution Based Treatment Centers for Opioid Addiction, as put forth in the Rules of TDMHSAS" (p. 32, initial application). However, the staffing patterns and service hours described do not appear to meet the minimum licensing requirements of Rule 0940-05-42 as posted by the Secretary of State (see attachment for detail).

5. Working Relationship with Existing Health Care Providers

The Applicant states that relationships will be established with Johnson City Medical Center, Wellmont Health Systems, Holston Valley Medical Center, Indian Path Medical Center, Bristol Regional Medical Center, Union County Memorial in Erwin, Laughlin Memorial in Greeneville, and Hawkins County Memorial in Rogersville. There is no indication as to the nature of the relationship or what types of referral situations might be established, and there are no letters of support or other documentation from these agencies of any process for establishing these relationships. The applicant states in a supplemental response that referrals will be made to local physicians authorized to prescribe buprenorphine when the patient and his Center physician agree this is the best treatment option. There is no specific mechanism described for accepting referrals from local physicians.

As stated before, the Applicant has no plans to panel with any third party benefit for the proposed site.

The Applicant also states that Center staff will assist patients by establishing resources on behalf of patients in treatment including local support groups, clothing and financial assistance, employment assistance referrals, food programs and pantries, housing and/or shelter, primary care referrals, emergency mental health care, IDD assistance, crisis services, educational assistance and counseling referrals.

Women who are pregnant or become pregnant and cannot afford treatment services will receive services free of charge.

6. Participation in Training of Students

Upon further inquiry, the Applicant presents a letter dated January 4, 2016 from Dr. Janna Scarborough, Chair of the Department of Counseling and Human Services at East Tennessee State University expressing an interest in exploring an internship relationship at the Weaverville, NC and - the Tri-Cities.

CONCLUSIONS

- 1. Need for a methadone maintenance non-residential opioid treatment center for Tennesseans living in the Region identified in the current application has not been clearly established. The Applicant provides an estimate of the number of adults "addicted to opioids" (p. 5) which is in fact based on estimates of the frequency of abuse (non-medical use) of opioids and does not provide a reliable estimate of the number of Tennesseans in the identified Region addicted to opioids.
- 2. The proposed project may be economically feasible. However, there are significant gaps between the proposed staffing and services and those required for licensure in Tennessee. It cannot be determined from the current application whether the proposal would remain economically feasible if all licensure requirements were fulfilled. There appears to be adequate credit available to the applicant to cover real estate and construction costs generally, but specific construction requirements that would meet licensure requirements are not included in the application. Licensure requirements are posted publicly by the Secretary of State on their website.
- 3. This application does not contribute to the orderly development of health care in the state of Tennessee. Notable gaps exist between the staffing and services proposed and those required for licensure. As described, the Center would not qualify for licensure to provide services in the state of Tennessee. There is significant current capacity for treatment of opioid abuse and dependence with a treatment (buprenorphine) which would expose Tennesseans to less risk of medical complications such as overdose. Studies demonstrating the effectiveness of MMT are based primarily on heroin addiction while prescription drug abuse appears to be a larger problem in the identified region.